

Climate Adaptation and Resilience Engagement (CARE)

[This "one-pager" is prepared for all programmes]

Key results:

[Examples of key result planned to be achieved at the end of programme:]

- Enhanced climate resilience in respective catchment areas through improved infrastructure, income generation, adult education and training
- Increased access to climate resilient water and sanitation facilities

Justification for support.

[Why is this support necessary and relevant, how does it relate to Danish and partner country priorities:]

- Both engagements are relevant because they address a key challenge for Bangladesh - climate change - that has a high priority for the Government.
- The Programme contributes to reduction of loss of livelihood and assets due to climate change
- Livelihood of poor women improved
- 450 climate resilient water and sanitation structures directly benefitting 45,000 people

How will we ensure results and monitor progress

[How will the programme succeed and how will this be documented:]

- Bi-annual Progress Reports
- Quarterly Financial Reports
- Embassy of Denmark Membership of Engagement Steering Committee
- Embassy of Denmark Membership of HYSAWA Board

Risk and challenges

[What are the main risks and challenges for this programme to achieve intended results and objectives, are mitigation measures possible to manage risks:]

- Structures damaged by extreme weather – possible response will be to rehabilitate the ones who are affected.
- Local Contracting Society captured by third party interests – use of external detailed audit, output based reporting and oversight of Project Director will be used to manage this risk.

File No.	2017-23663						
Country	Bangladesh						
Responsible Unit	Dhaka						
Sector	Climate Change						
	<i>Mill.</i>	2017	2018	2019	2020	2021	Tot.
Commitment	30						30
Projected ann. Disb.		12	12	6			30
Duration	3 years						
Finance Act code.	06.34.01.70						
Desk officer	Asif Aziz Khan						
Financial officer	Mads Ettrup						

SDGs relevant for Programme: SDG 1, 5 and 13

 No Poverty	 No Hunger	 Good Health, Wellbeing	 Quality Education	 Gender Equality	 Clean Water, Sanitation
 Affordable Clean Energy	 Decent Jobs, Econ. Growth	 Industry, Innovation, Infrastructure	 Reduced Inequalities	 Sustainable Cities, Communities	 Responsible Consumption & Production
 Climate Action	 Life below Water	 Life on Land	 Peace & Justice, strong Inst.	 Partnerships for Goals	

Budget

Thematic Programme 1	
Engagement 1: Climate Resilient Rural Infrastructure Project II	20
Engagement 2: Climate Resilient Water Supply and Sanitation Services through strengthened Local Government Institutions	10
Engagement 3	
Engagement 4	
Engagement 5	
Thematic Programme 1	
Engagement 1	
Engagement 2	
Engagement 3	
Engagement 4	
Engagement 5	
Thematic Programme 1	
Engagement 1	
Engagement 2	
Engagement 3	
Engagement 4	
Engagement 5	
Programme Support	30
Total	30

Strat. objective(s)

Thematic Objectives

Enhanced resilience and adaptive capacity to cope with the adverse impacts of climate change amongst selected communities in Noakhali and Laxmipur districts

Take urgent action to combat climate change and its impacts

List of Engagement/Partners

- Climate Resilient Rural Infrastructure Project II by partner Local Government Engineering Division
- Climate Resilient Water Supply and Sanitation Services through strengthened Local Government Institutions by Hygiene, Sanitation and Water Supply (HYSAWA)

DRAFT

**Ministry of Foreign Affairs
Embassy of Denmark
Bangladesh**

**Thematic Programme Document
For
Climate Adaptation and Resilience Engagement (CARE) in
Bangladesh**

November 2017

Abbreviations

ADB	Asian Development Bank
ADP	Annual Development Programme
BAU	Bangladesh Agriculture University
BCCSAP	Bangladesh Climate Change Strategy and Action Plan
BCCRF	Bangladesh Climate Change Resilience Fund
BDT	Bangladesh Taka
BOO	Build-Own-Operate
BUET	Bangladesh University of Engineering and Technology
CCAMP	Climate Change Adaptation and Mitigation Programme
CCAP	Climate Change Adaptation Project
DKK	Danish Kroner
DP	Development Partner
DPP	Development Project Proposal
EEE	Energy Efficiency Engagement
ERD	Economic Relations Division, Government of Bangladesh
EU	European Union
FAPAD	Foreign Aided Project Audit Directorate
FI	Financial Institution
GDP	Gross Domestic Product
GoB	Government of Bangladesh
IFC	International Finance Corporation
IPP	Independent Power Producers
kWh	kilo Watt hours
LGED	Local Government Engineering Department
LCS	Labour Contracting Societies
MoEF	Ministry of Environment and Forest
NCCI	Nordic Chamber of Commerce and Industry
NGO	Non-Government Organisation
OECD-DAC	Organization for Economic Cooperation and Development – Development Assistance Committee
PDB	Ministry of Foreign Affairs Programme Data Base
SREDA	Sustainable & Renewable Energy Development Authority
TA	Technical Adviser
ToR	Terms of Reference
UN	United Nations
UNDP	United Nations Development Programme
USD	United State Dollars
WB	World Bank
W2E	Waste to Energy Engagement

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1. Introduction

1.1 Development Cooperation between Denmark and Bangladesh

Denmark has a 43 years long partnership with Bangladesh. During this long constructive cooperation Denmark has been supporting Agriculture, Water and Sanitation and Human Rights and Good Governance. In addition, Denmark has been involved in promoting private sector development through the Danida Business Partnership Programme and Danida Business Finance. Denmark also supports the Government and the resilient people of Bangladesh in their combat against climate change and its adverse impacts.

The Denmark – Bangladesh Country Programme that was approved by the External Grant Committee on March 15 2016 and by the Minister of Foreign Affairs on April 8, 2016 provides a coherent platform for taking the partnership forward. The Country Programme has a Thematic Programme devoted to Climate Resilience and Sustainable Energy. The Resilience part consists of two development engagements. The first has a focus on enhancing adaptive resilience in the Deep South by linking up populated areas with cyclone shelters through rural infrastructure. The rural infrastructure is constructed through labour intensive techniques that in turn bring jobs to poor people, in particular women. This engagement is implemented in partnership with the Local Government Engineering Division, a large public institution in charge of building roads and bridges in rural and increasingly in urban areas as well. A DED has been signed with LGED in February 2017.

1.2 Thematic context

1.2.1 Danish Support to Climate Change in Bangladesh

Bangladesh is one of the most vulnerable countries in the world to climate change due to its geographical location, low deltaic flood plain, and the influence of erratic monsoon rainfall. River floods, high tides and cyclone surges, annually cause major loss of life and property. In a severe climate change scenario, sea level rise would inundate 18 percent of Bangladesh's total land area by 2050, directly impacting 11 percent of the country's population. Salt water intrusion in low-lying agricultural plains, along with other hazards, could lead to a 40 percent decrease in food grain production and would increase forced migration to urban slums. Estimates show that just a 1- 2 degree Celsius increase in temperature could potentially lead to physical dislocation of more than 35 million people. If the world fails to reduce greenhouse gas emissions, the costs to Bangladesh of climate change could amount to an annual loss of 2% of GDP by 2050 and 9.4% of GDP by 2100. Thus, climate change threatens the significant achievements made by Bangladesh over the last two decades, particularly in raising income and reducing poverty. The poor are particularly vulnerable to any changes in climatic conditions and associated impacts.

1.2.2 Integration of experience and results from previous cooperation

Denmark's focus on building resilience to climate change in rural areas stands on the shoulders of many years of experience with building and rehabilitating rural infrastructure in participatory ways.

Since 1994, Denmark has supported the rural roads sector in Bangladesh, firstly through a classic Rural Development Project, subsequently, through a project that focused more specifically on providing access to markets for the farmers¹⁾. The project was implemented by the Local Governance Engineering Department (LGED) that is a large utility responsible for construction of infrastructure. The Rural Road and Market Access Component supported the development of rural roads, market infrastructure and maintenance of rural roads and canals. The approach has been participatory involving rural women in Labour Contracting Societies (LCS), a loose organisational arrangement of poor women.

In the mid 1990's Denmark supported the establishment of the Institute of Water Modelling (IWM) through Dansk Hydraulisk Institut and the former is in fact a sister organisation of the latter. IWM is part of the Bangladesh Water Board that is a large governmental agency responsible for maintaining dikes and polders and carrying out dredging among other things. IWM works closely with the Flood Forecasting & Warning Centre (FFWC).

In the 2010's Danida launched a Climate Change Adaptation Pilot Project (CCAPP) (July 2013-June 2014). The project continues the work with a participatory approach but now focused on adaptation of rural infrastructure to climate change.

An ongoing Climate Change Adaptation Project (July 2014 to June 2016) follows the same approach but now even more focussed on upgrading, constructing and maintaining of climate resilient and sustainable rural roads.

1.2.3 Aid effectiveness

The project is aligned to SDG 13: *Take urgent action to combat climate change and its impacts*. This is a priority area of the GoB ²⁾.

The government is following a "whole-of-society" approach to implementing the SDGs. This is reflected in the Government's 7th FYP where a specific chapter sets out three pillars of efforts on climate change: 1) environmental management; 2) climate change management; and 3) disaster risk reduction. The Ministry of Environment is lead on these efforts and large government agencies that Danida has worked with like LGED, DAE and BD Water Board as well as local government institutions are key actors in this endeavour.

¹⁾ Rural Road and Market Access Component (RRMAC) 2006 – 2013.

²⁾ Dr Shamsul Alam: Implementation of SDGs: Meeting Challenges through Cooperation. General Affairs Division (GED), 2017.

Several initiatives have been taking to coordinate on the donor side, but they have lost steam due to frictions – the BCCRF – or because of the quick pace of changing personnel.

1.2.4 Integration of the Human Rights Based Approach

The Thematic Programme maintains a strong focus on empowerment of poor and vulnerable people, especially extremely poor women so they become capable of taking charge of their lives what in turn provide them with a higher status in the family and local community.

The application of labour-intensive methods targeting poor and destitute women and participatory community based climate resilience assessment ensure that women are treated in a dignified way, that they are paid on time and that water and sanitation facilities are made available, among other things. This may sound evident but unfortunately it is not a trivial matter in rural Bangladesh.

2. Summary of the Programme

2.1 Overall Programme Design and Justification

The objective of the thematic programme is: *Enhanced resilience and adaptive capacity to cope with the adverse impacts of climate change amongst selected communities in Noakhali and Laxmipur districts.*

The theory of change suggests that providing the target group - prone to rising sea levels, storm surges and salt intrusion – with climate proofed roads and water points as well as income generation, adult education and institution building enhances resilience and ability to adapt to climate change.

The programme will include two engagements:

- Climate Resilient Rural Infrastructure Project II with LGED, which will fund upgrading of rural infrastructure in Southern Bangladesh.
- Climate Resilient Water Supply and Sanitation Services through Strengthened Local Government Institutions with HYSAWA, which will enhance access to climate resilient water and sanitation facilities through capacity building of Local Government Institutions.

Table 1 presents the justification for the selected engagements applying the OECD-DAC five quality criteria of: relevance, impact, sustainability, effectiveness and efficiency.

Table 1: Assessment criteria of the two engagements

	Climate Resilient Rural Infrastructure Project II	Climate Resilient Water Supply and Sanitation Services through Strengthened Local Government Institutions
Relevance	<i>Both engagements are relevant because they address a key challenge for Bangladesh that has a high priority for the government.</i>	
Impact	<i>The two engagements will contribute to reduction of loss of livelihood and assets due to climate change.</i>	
Sustainability	<i>The quality of the societies' efforts to cope with climate change is enhanced.</i>	<i>The health of the target group is improved.</i>
Effectiveness	<i>Infrastructure is climate proofed in 2 key districts</i> <i>Poor women's livelihood is improved.</i>	<i>450 climate resilient water and sanitation structures directly benefitting 45,000 people.</i> <i>Knowledge about climate change is improved</i>
Efficiency	<i>Even though using LCS may be expensive compared to hiring contractors the value of contribution is doubled by direct poverty alleviation.</i>	<i>HYSAWA has proved to be a very cost-efficient supplier of its services and has a good track record of reaching out to hard to reach areas.</i>

2.2 Strategic considerations and choice of engagement structure

The present thematic programme is an extension of Danida's efforts dedicated to climate change assistance in Bangladesh. It will be shorter (3 years) than the usual Danida supported programme duration (5 years). A key strategic consideration has been the need to expand some of our tried and tested approach, gain experience with the partners and sectoral actors and to pilot new approaches. The programme therefore engages with both central government agencies and local government institutions with a view to adapting to climate change.

The programme engages with LGED in carrying out adaptation in six of the most vulnerable Upazilas (municipalities) in coastal Bangladesh, following a well-tested and successful implementation modality using Labour Contracting Society (LCS) as workforce. Denmark has previous successful experience of this in coastal Bangladesh. Poverty in coastal Bangladesh is widespread. By involving LCS in developing a resilient rural infrastructure a direct poverty focus is achieved, creating temporary employment for poor women who are then trained in using the money they receive to secure permanent livelihood benefits. It also generates local ownership and thereby secures better maintenance.

The programme engages with HYSAWA in implementing adaptation across three of the most vulnerable Upazilas. This is done by integrating climate change into local planning using HYSAWA's model of project implementation through local government institutions.

2.3 Summary of development engagements

2.3.1 Climate Resilient Rural Infrastructure Project II

This engagement is implemented by LGED and will climate proof selected trading and transport networks in 6 Upazilas in coastal Bangladesh by using LCSs, initiating alternative sources of income for poor women. The engagement will result in improved all year around access to rural markets and cyclone shelters; enhance drainage capacity of local canals; and, embankments for flood protection will be raised and secured against erosion. Rainwater harvesting will be prepared to secure alternative sources of potable water to groundwater wells which may be subject to salt-water intrusion or become inaccessible during floods. The capacity at local level of selected Union Parishads will be developed for participatory planning and LCS workers will be advised on how to respond to climate change and on livelihood enhancement.

2.3.2 Climate Resilient Water Supply and Sanitation Services through Strengthened Local Government Institutions

This engagement is implemented by HYSAWA to contribute to national climate change resilience by establishing and financing sustainable mechanisms at the local government level that help vulnerable communities to cope with the impacts of climate change as well as improve access to climate resilient water and sanitation facilities.

The target areas for this engagement are among the poorest in Bangladesh and have limited access to basic water and sanitation facilities (estimated to have around 25% coverage). Moreover, they are vulnerable to climate influenced risks including cyclones, flash floods, saline intrusion into ground water, water-logging, and drainage congestion and associated health hazards.

This intervention aims to demonstrate a locally led model for implementing climate resilient water and sanitation interventions. HYSAWA will use its proven approach of working with communities and local governments to improve water and sanitation facilities following demand driven methods. As well as financing projects, the Engagement will support the introduction of climate resilience into community level awareness, planning, the Local Resilience Plan (LRP) as well as UPs' Local Development Plans (LDP). The project will work in climate vulnerable coastal belt of Bangladesh and cover the three districts of Noakhali, Laxmipur and Pataukhali.

2.4 Outcome indicators

Each engagement has one outcome indicator that will be aggregated in a joint one for the thematic programme as a whole. The outcome indicators are stipulated in Table 2.

Table 2: Outcome indicators for CARE

Aggregate		Total Number of people becoming more resilient to climate change	
LGED			
Outcome Indicator		Number of people in the catchment area that has become more resilient to climate change through improved infrastructure, income generation, adult education and training	
Base	Year	2017	0
Target	Year	2020	X number of people ³⁾ in the catchment area with improved access to shelters, enhanced adaptation to climate change vulnerabilities and improved livelihood.
HYSAWA			
Outcome Indicator		Number of people that have access to climate resilient water and sanitation facilities in the targeted upazilas/unions	
Base	Year	2017	170.000
Target	Year	2019	250.000

2.5 Management and Monitoring of the Thematic Programme

The Embassy of Denmark will have a close oversight of the implementation and ensure that the two partners are brought together at regular meetings with view to coordinate their efforts in terms of planning and operations on the ground.

Partners will provide progress and financial reports at the frequency stipulated in the table 3 below. Each engagement will report on progress towards outcome indicators and towards outcome budgets, which will be entered into the Ministry of Foreign Affairs Programme Data Base (PDB) on an annual basis. In terms of financial management, commitment will be done against the present Thematic Programme Document whilst disbursements take place against the Development Engagement Documents. See the latter for further details in the annexes.

Table 3: Reporting structure for each engagement of CARE

	Climate Resilient Rural Infrastructure Project II	Climate Resilient Water Supply and Sanitation Services through Strengthened Local Government Institutions
Progress Reporting	Bi-annually	Bi-annually
Financial Reporting	Quarterly	Quarterly

³⁾ This number could potentially be the number of inhabitants in a union.

Fund Disbursement	Bi-annually	Bi-annually
Joint Management Arrangements	Embassy of Denmark Membership of Engagement Steering Committee	Embassy of Denmark Membership of HYSAWA Board

2.6 Budget at outcome level

CARE's budget including partner contributions is DKK 50 million. As indicated in Table 4 only CRRIP II will have cash partner contribution.

Table 4: Outcome based budget for CARE per programme year

Engagement/Project	Year 1	Year 2	Year 3	Total
A. Climate Resilient Rural Infrastructure Project II				
- Denmark	8.00	8.00	4.00	20.00
- Bangladesh	7.00	8.00	5.00	20.00
Climate Resilient Rural Infrastructure Project II Total				40.00
B. Climate Resilient Water Supply and Sanitation Services through Strengthened Local Government Institutions (LGIs)				
- Denmark	4.00	4.00	2.00	10.00
Subtotal (A+B)				50.00
Grand total				50.00

2.7 Summary of risk analysis

Table 5 displays the summary of risk analysis and risk response to programmatic and institutional risk factors.

Table 5: Programmatic and Institutional Risks to CARE

Risk factor	Likelihood	Impact	Risk response	Combined residual risk
Contextual Risks				
Structures damaged by extreme weather	Likely	Major	Rehabilitate	Significant
Programmatic Risks				
LCS group captured by third party interests	Likely	Major	Only one engagement is vulnerable to this risk and this engagement need to strengthen their monitoring using external detailed frequent audit, output based reporting and oversight from Project Director	Significant
Institutional Risks				
Counterpart funding is not allocated or is not provided in a timely fashion	Likely	Insignificant	N.A.	Insignificant
Misappropriation of funds	Unlikely	Minor	Most of the funds will go to targeted activities and measures such as management and detailed financial audit are in place to curb any flagrant misuse of funds.	Insignificant

3. Management set-up at programme level

The programme will be implemented together with three partners, one at programme level and one for each development engagement. The partners are shown in Table 6 below.

Table 6: CARE partners at programme level and engagement level

Intervention Level	Partner	Partner Institutional Type
Programme level		

Climate Adaptation and Resilience Engagement (CARE)	Economic Relations Division (ERD)	GoB – Division of Ministry of Finance
Engagement Level		
Climate Resilient Rural Infrastructure Project (CRRIP II)	Local Government Engineering Department (LGED)	GoB – Department of the Ministry of Local Government, Rural Development & Cooperatives
Climate Resilient Water Supply and Sanitation Services through Strengthened Local Government Institutions	Hygiene, Sanitation and Water Supply (HYSAWA)	Registered non-profit company under Local Government Division

Each engagement will be managed in accordance with the implementing partners' own existing systems, these systems having been assessed and found to be acceptable during programme design.

Annex A: CRRIP II Engagement Description

Climate Resilient Rural Infrastructure Project II

Development Engagement Document

Annex B: Climate Resilient Water Supply and Sanitation Services through Strengthened LGIs Engagement Description

Climate Resilient Water Supply and Sanitation Services through Strengthened Local Government Institutions

Development engagement document

Results Framework of Climate Resilient Rural Infrastructure Project II to be implemented by LGED

Outcome Indicator		Number of people of the project area has enhanced security against climate change vulnerabilities.	
Baseline	Year	2017	0
Target	Year	2020	40,000 people of 6 Upazilas of coastal Noakhali and Lakshmipur districts have better access to disaster shelters, markets and social service institutions.
Output 1 Indicator		Percentage of planned infrastructure listed in the project proposal completed (120 km of roads/embankments raised, 7 km of rural road improved to all weather standards including construction of 128m of structures and 260m of slope protection works improved; 4 km of canal excavated for improved drainage; 2 landing stations and 2 rural markets developed).	
Baseline	Year	2017	0%
Target	Year	2020	100%
Output 2 Indicator		Numbers of ponds excavated or rehabilitated and protected from flooding.	
Baseline	Year	2016	0
Target	Year	2020	6
Output 3 Indicator		Number of poor and extreme poor (mostly women) employed, trained and labour days generated for livelihood improvement.	
Baseline	Year	2017	0 and 0
Target	Year	2020	5000 and 0.5 million labour days.
Output 4 Indicator		Number of UPs that have trained and updated their Five Year Development Plan incorporating climate change issues. Number of schemes to address adverse impacts of climate change implemented with funds available with selected Union Parishads.	
Baseline	Year	2017	0 and 0
Target	Year	2020	2 and 2

Results Framework of Climate Resilient Water Supply and Sanitation Services through Strengthened Local Government Institutions (LGIs)

Outcome Indicator		Percentage of target UP inhabitants that have access to climate resilient water and sanitation facilities;	
Baseline	Year	2017	25%
Target	Year	2018	27%
Target	Year	2019	32%
Target	Year	2020	35%
Output 1 Indicators		Number of communities with Local Resilience Plans (LRPs) Number of LGIs, partner NGO staff, school students and other stakeholders who have received training on climate resilience, water supply and sanitation activities	
Baseline	Year	2017	0 and 0
Target	Year	2018	150 and 30,000
Target	Year	2019	120 and 80,000

Target	Year	2020	0 and 40,000
Output 2 Indicators		Number of Upazila functionaries given basic and refresher training on climate change resilient water supply, sanitation, hygiene and governance issues Number of UP functionaries given basic and refresher training on climate change resilient water supply, sanitation, hygiene and governance issues	
Baseline	Year	2017	0 and 0
Target	Year	2018	9 and 300
Target	Year	2019	0 and 300
Target	Year	2020	9 and 600 (Repeat)
Output 3 Indicator		Number of new climate resilient improved latrines built by communities Number of people directly benefiting from new 450 climate resilient water and sanitation facilities funded through HYSAWA.	
Baseline	Year	2017	0 and 0
Target	Year	2018	2,000 and 8,000
Target	Year	2019	8,000 and 20,000
Target	Year	2020	3,500 and 17,000
Output 4 Indicators		Number of active/activated forums/platforms to advocate for additional/increased investments in climate resilient public goods	
Baseline	Year	2017	0
Target	Year	2018	0
Target	Year	2019	1
Target	Year	2020	2
*Data to be confirmed by conducting baseline study at the beginning of the intervention **150,000 people, including school going children across 30LGIs, will get knowledge based training on hygiene issues, water safety plan and awareness about climate risk adaptation issues.			

Yearly Budget of Climate Resilient Rural Infrastructure Project II to be implemented by LGED

Budget of Year-1 : 2018	GoB	Danida	Total	
Outputs	Amount (DKK million)			%
Output 1: Climate resilient rural infrastructure in coastal Bangladesh*	6.25	4.32	10.57	88.60
Output 2: Alternate source of potable water, protected from tidal surges and floods, are available to local people	0.15	0.15	0.30	2051
Output 3: Income and livelihood opportunities provided to poor and destitute households, capacity development of LCS, LGED and project officials on climate change adaptation	0.65	0.40	1.05	8.80
Output 4: Climate Change Resilience Plans adopted and priority interventions implemented with available fund	0.00	0.01	0.01	0.08
Grand Total Budget	7.05	4.88	11.93	100

Budget of Year-2: 2019	GoB	Danida	Total	
Outputs	Amount (DKK million)			%
Output 1: Climate resilient rural infrastructure in coastal Bangladesh*	5.92	8.23	14.15	89.39
Output 2: Alternate source of potable water, protected from tidal surges and floods, are available to local people	0.00	0.30	0.30	1.90
Output 3: Income and livelihood opportunities provided to poor and destitute households, capacity development of LCS, LGED and project officials on climate change adaptation	0.64	0.73	1.37	8.65
Output 4: Climate Change Resilience Plans adopted and priority interventions implemented with available fund	0.00	0.01	0.01	0.06
Grand Total Budget	6.56	9.27	15.83	100

Budget of Year-3: 2020	GoB	Danida	Total	
Outputs	Amount (DKK million)			%
Output 1: Climate resilient rural infrastructure in coastal Bangladesh*	5.74	5.14	10.88	88.89
Output 2: Alternate source of potable water, protected from tidal surges and floods, are available to local people	0.00	0.30	0.30	2.45
Output 3: Income and livelihood opportunities provided to poor and destitute households, capacity development of LCS, LGED and project officials on climate change adaptation	0.65	0.40	1.05	8.58

Output 4: Climate Change Resilience Plans adopted and priority interventions implemented with available fund	0.00	0.01	0.01	0.08
Grand Total Budget	6.39	5.85	12.24	100

Note: * LCS labour wages, technical assistance, GoB staff salaries, technical equipment, equipment maintenance, operation, research, monitoring & evaluation are included under output 1.

Exchange rate: 1 DKK = 12.10 BDT.

Yearly budget of Climate Resilient Water Supply and Sanitation Services through Strengthened Local Government Institutions (LGIs) to be implemented by HYSAWA

Summary in BDT

Output	Year1	Year2	Year3	Total	%
Output 1: LRPs produced by vulnerable communities	5,410,000	5,310,000	5,310,000	16,030,000	13.4%
Output 2: LDPs of LGIs that are climate change aware	17,670,468	18,746,025	14,322,652	50,739,145	42.3%
Output 3: Priority Climate Change resilience measures related to water and sanitation, implemented	7,560,000	18,560,000	15,760,000	41,880,000	34.9%
Output 4: Knowledge generated is available to technical communities, other LGIs and policy makers	700,000	800,000	1,000,000	2,500,000	2.1%
HYSAWA Overhead (8%)	2,507,237	3,473,282	2,911,412	8,891,932	7.4%
Total					100%

Summary in DKK

Output	Year1	Year2	Year3	Total	%
Output 1: LRPs produced by vulnerable communities	450,833	442,500	442,500	1,335,833	13.4%
Output 2: LDPs of LGIs that are climate change aware	1,472,539	1,562,169	1,193,554	4,228,262	42.3%
Output 3: Priority Climate Change resilience measures related to water and sanitation, implemented	630,000	1,546,667	1,313,333	3,490,000	34.9%
Output 4: Knowledge generated is available to technical communities, other LGIs and policy makers	58,333	66,667	83,333	208,333	2.1%
HYSAWA Overhead (8%)	208,936	289,440	242,618	740,994	7.4%
Total	2,820,642	3,907,442	3,275,339	10,003,423	100%

Local Government Engineering Department (LGED)

LGED is under the Ministry of Local Government, Rural Development and Co-Operatives. The primary mandate of LGED is to plan, develop and maintain local level rural, urban and small scale water resources infrastructure throughout the country. LGED works in a wide range of diversified programs like construction of rural roads, bridges/culverts and rural growth centres.

The organizational background of LGED can be traced back to early sixties when implementation of works program (WP) comprising Rural Works Program (RWP), Thana Irrigation program (TIP) and Thana Technical Development Committee (TTDC) was started. A “Cell” was established in the Local Government Division (LGD) under the Ministry of Local Government, Rural Development and Cooperative (MLGRD&C) in 1970s. To administer works programme nationwide, the Works Program Wing (WPW) was created in 1982 under the development budget. It was reformed into the Local Government Engineering Bureau (LGEB) under the revenue budget of the Government in October, 1984. LGEB was upgraded to Local Government Engineering Department (LGED) in August, 1992. LGED is a highly decentralized organization where ninety nine percent of total manpower works at District and Upazila (Sub-District) level.

Denmark has worked with LGED since 1994, initially through the minor road component under the Transport Sector Programme and since 2006 through the Rural Road and Market Access Component under the Agriculture Sector Programme. Since 2013, Denmark has continued to work with LGED using the Climate Envelope. Currently, LGED is implementing a project under the country programme with contribution from Denmark under the Thematic Area of Climate Resilience and Sustainable Energy. Denmark’s contribution in the project is DKK 85 million with additional DKK 255 million coming from the Government of Bangladesh. The project will run till 2021.

Hygiene, Sanitation and Water Supply Fund (HYSAWA Fund)

The HYSAWA Fund came into existence as one of the components of Denmark’s support to water supply and sanitation sector back in 2007. The HYSAWA Fund was established with the purpose to create an independent financial institution to fund Water Supply and Sanitation (WSS) services through Union Parishads (UPs).

The Fund is working under the guiding principles of providing decentralized rural water supply and sanitation service delivery by UPs and ensuring community ownership. As opposed to traditional top-down fund flow and decision making process, the main aim is to decentralise decision making and financial management to local government institutions (LGIs), which is considered key to empowering LGIs. In the longer term, the HYSAWA fund is expected to demonstrate an effective decentralized service delivery model through local government. With the growing concern of climate change that mostly affect the water resources, HYSAWA is now linking water and sanitation activities with the aim to improve climate resilient water and sanitation infrastructures and adaptation awareness. HYSAWA mobilises funds from the government as well as different donor agencies, and it receives grants from GoB, Denmark, and the Swiss Agency for Development and Cooperation to run its programmes and services. A board comprised of representatives from ministries, LGIs, NGOs and civil society oversee the entire operation of the organisation.

**Review-cum-appraisal report
Final**

Danida's Climate Change Portfolio in Bangladesh

10 November

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List of abbreviations

3e (EEE)	Energy Efficiency Engagement
AU	Aarhus University (AU)
BAU	Bangladesh Agricultural University
BCCSAP	Bangladesh Climate Change Strategy and Action Plan
BCP	Bangladesh Country Programme
BDT	Bangladeshi Taka
BGMEA	Bangladesh Garment Manufacturers and Exporters Association
BUET	Bangladesh University of Engineering and Technology
CP	Cleaner Production
DAC	Development Assistance Committee
Danida	Danish International Development Assistance
DE	Development engagement
DED	Development engagement document
DKK	Danish Kroner
EE	Energy Efficiency
GCF	Green Climate Fund
GHG	Greenhouse Gas
GoB	Government of Bangladesh
HYSAWA	Hygiene, Sanitation and Water Supply
IDCOL	Infrastructure Development Company Limited
IFC	International Finance Corporation
ILO	International Labour Organisation
LCS	Labour Contracting Societies
LED	Light-emitting diode
LGED	Local Government Engineering Department
LGI	Local Government Institution
LRP	Local Resilience Plan
MoU	Memorandum of Understanding
NCCI	Nordic Chamber of Commerce and Industry
OECD	Organisation for Economic Cooperation and Development
PaCT	Partnership for Cleaner Textile
SDC	Swiss Agency for Development Cooperation

SREDA	Sustainable and Renewable Energy Development Authority
TIB	Transparency International Bangladesh
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UP	Union Parishad
USAID	United States Agency for International Development
W2E	Waste-to-Energy
WB	World Bank

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Executive summary

The Review-cum-Appraisal of Danida's climate change portfolio in Bangladesh took place from 8-20 October 2017 with the dual objectives of appraising a new grant from the Climate Envelope and reviewing the performance of two ongoing engagements.

Review

Energy Efficiency in industry through Nordic Chamber of Commerce and Industry (NCCI) engagement (3e): This has succeeded as a pilot in showing that there is scope for cost-efficient energy and GHG reductions in the targeted sectors, and that NCCI - as a non-governmental, industrial support organisation - was an effective entry-point through its commercial network. It has largely achieved the expected outcome and outputs. It also has the potential for strong synergies with the embassy's trade facilitation activities. Weaknesses and/or opportunities missed include: the uncertainty over the set-up and anchorage of the secretariat; the lack of use of the short-term international TA; insufficient provision for long-term monitoring and uncertain long-term path to sustainability for the knowledge hub; and inconsistent exploitation of the synergy between the engagement and Danish trade and economic interests.

Waste-to-Energy Engagement: In October 2017 a "Closing Report" was issued by IFC, the implementing partner, bringing the W2E Engagement to a close, 3 months early with around 35% of the budget remaining. The engagement will not achieve the expected outcome and result. But the engagement should not be considered failure. It tested the potential for scaling-up innovative technology and generated useful insights including knowledge about its feasibility and constraints in Bangladesh. It also established a fruitful and enduring academic collaboration between Denmark and Bangladesh. Lessons from the partnership with IFC may inform new engagements under the country programme.

Sustainable energy use remains of critical importance to the Bangladesh economy. This is an area where Danish expertise is strong and there is a significant opportunity for synergy with Danish trade and commercial interests. Realistic opportunities to continue support in this area are to extend or build on 3e, and/or to join with other donors in the IFC run PaCT II initiative, which has a similar scope and methodology.

Appraisal

Climate Adaptation and Resilience Engagements are to be undertaken with a new grant of DKK 30 million from the climate envelope. The proposed programme has two engagements:

Climate Resilient Rural Infrastructure Project (CRIPP) II (DKK 20 million + DKK 40 million from GoB) implemented by Local Government Engineering Department (LGED) is an expansion of the on-going climate change adaptation theme of the country programme to the Noakhali region using the existing joint Danida

financed PMU. The on-going CRIPP is itself an evolution of a long-term Danish engagement with Bangladesh on construction of rural roads and other infrastructure employing groups of local poor women and using labour-intensive methods. CRIPP produces relevant results in the form of climate resilient rural infrastructure with multiple benefits including connecting settlements with cyclone / flood shelters and providing income and livelihood opportunities for poor women.

LGED and the PMU certainly have the capacity to expand the areas of intervention to Noakhali. It is important, however, to ensure that new activities benefit from lessons learned from the ongoing CRIPP. Strengthened procedures should be disseminated and anchored within LGED. When the direction of future collaboration with LGED is clearer, an exit strategy should be developed that addresses costs and benefits of the LSC modality and options for its continued use by LGED.

Climate Resilient Water Supply and Sanitation Services through Strengthened Local Government Institutions (DKK 10 million) implemented by HYSAWA a government owned not-for profit company started as a Danida project. The new engagement is an extension of the water and sanitation sector programme that pre-dates the current country programme. HYSAWA produces relevant results efficiently at the local level in the form of participatory local climate resilience plans with a specific focus on climate resilient water and sanitation infrastructure and service. The institutional and financial sustainability of HYSAWA is uncertain beyond the current Danida and SDC funding. SDC is expected to approve a 3-year exit programme later this year that will support the transformation of HYSAWA to a service provider to local government institutions for planning and implementation of climate resilient water and sanitation infrastructure to vulnerable communities in hard to reach areas – and with multiple funding sources, including through central and local government. The appraisal team finds that it is justified to contribute to a final exit / transformation phase jointly with SDC where Denmark specifically supporting HYSAWA in testing approaches to involving communities and local government in making their water and sanitation infrastructure more climate resilient. It is important that the DED is clearly described as an integral part of SDC-led exit phase / institutional transformation strategy.

1 Introduction

The Review-cum-Appraisal of Danida's climate change portfolio in Bangladesh took place from 8-20 October 2017 with the dual objectives:

1. To appraise a new grant from the Climate Envelope to support adaptation to activities in the vulnerable coastal delta regions with the working title Climate Adaptation and Resilience Engagement; and
2. To review the performance and results of the Energy Efficiency Engagement (3e) and the Waste-to-Energy Engagements and provide recommendations to the Embassy as to whether they should be continued as part of the Country Programme under its sub-theme on Sustainable Energy.

The review-cum-appraisal mission was conducted by Jens Fugl TQS (team leader), Lars Mikkel Johannessen (external consultant) and Raymond Colley (external consultant).

The team would like to thank all stakeholders consulted for the valuable support and information provided during the mission, and in particular during the field trip to Hatiya Island and Noakhali – see the list of persons consulted in Annex C. This report presents the major findings and recommendations of the mission that are based on information from the stakeholders interviewed during the mission and documents consulted prior to and during the mission. The views and recommendations expressed in the report reflect the position of the team. These may not necessarily be shared by the Engagement Partners or the Governments of Bangladesh and Denmark.

A Process Action Plan for the follow-up to the appraisal and review is provided in annex appraisal and appropriation process is provided in Annex D.

2 Background

Bangladesh is one of the countries in the world most vulnerable to climate change due to its geographical location, low-lying flood plains, and the influence of variable monsoon rainfall. The coastal zone is home to approximately one third of the country's 111 million people and with significant poverty. River floods, high tides and cyclone surges, annually cause major loss of life and property. But also, river bank erosion, salinity intrusion, high levels of salinity in groundwater and arsenic contamination of shallow aquifers.

The country's level of greenhouse gas emissions is extremely low due to the relatively limited consumption of energy. With an economic growth at 6 – 7 % per year, however, this will quickly change and emissions will increase over time.

Over the past five years, Danida has supported Bangladesh efforts to address climate change through a range of engagements under the country programme and with complementary funding from the climate envelope, including;

Adaptation:

- Building resilient rural infrastructure in the Deep South by Local Contracting Societies (LCS) supported by the Country program's Thematic Programme devoted to Climate Resilience and Sustainable Energy through an engagement with the Local Government Engineering Department (LGED) (DKK 85 million)
- HYSAWA (Hygiene, Sanitation and Water Supply) making water and sanitation infrastructure more climate resilient in hard-to-reach areas (DKK 6.9 million).

Mitigation:

- A pilot aimed at improving energy efficiency (3e) with the Nordic Chamber of Commerce as its partner (DKK 9.8 million); and,
- A pilot promoting Waste-to-Energy (W2E) with IFC as partner (DKK 8.6 million).

The Embassy has decided to review the current mitigation elements of the support and is looking at options to fold this support into the Country Programme's Thematic Programme on Climate Resilience and Sustainable Energy.

A new grant from the Climate Envelope amounting to DKK 30 million is scheduled to be committed in 2017. The Embassy has suggested operationalising this new grant through the following engagements:

- Expanding present interventions to build Climate Resilient Rural Infrastructure in Noakhali and Laxmipur on the Western banks of Meghna through LGED;
- Continuing adaptation of water and sanitation in Noakhali and adjacent areas through HYSAWA.

Partners have prepared draft DEDs and supporting project documents and a 1. Draft of the Thematic programme document has been submitted to the appraisal team.

3 Review

3.1 EEE assessment and recommendations

3.1.1 Assessment of status, progress and results

Budget allocated DKK 9.8 million (initially DKK 6.9 million with an extension of DKK 2.8 million). Total disbursed to partner as of 09/17, DKK 7.6 million Remaining DKK 2.2 million

The Engagement began in January 2015 for an initial period of 18 months but was awarded an “added cost extension” for the period July 2016 to July 2017. As of October 2017, there was DKK 2.2 remaining to be disbursed in the budget – sufficient for the engagement to continue at the prevailing rate of expenditure for around nine more months.

The performance against the targets originally set out in the DED is summarised in the table below.

Table 1: 3E Progress Against Targets established in the DED

	Target as specified in the DED	Achieved
Outcome	20% of members companies instigate energy efficiency programmes internally and/or through key suppliers	More than 50% engaged or referred network members
Output 1: Secretariat	Secretariat established and functioning	Yes
Output 2: Knowledge Resource Built	Information resource available on the web	Yes
	Reports on two sub-sectors / year	Yes
	100 EE stakeholders active on the social media site	Not measured, 115,000 Facebook followers
Output 3: Service and finance providers assessed	Map of service providers, and Targeted training	Yes
	60 accredited auditors	No
	20 plant operatives accredited as energy managers	No
		Yes (70+ trained)
Output 4: Audits undertaken; lessons developed	50 simple walkthrough audits 3-5 investment grade audits; Lessons developed and disseminated	51 6 (+4 pending) Partly

- Overall, the engagement met or exceeded its targets. It exceeded the outcome target by a considerable margin, successfully utilising the NCCI network to promote energy efficiency to enterprises in a diverse range of productive sectors. Furthermore, the engagement has been able to show considerable energy and cost savings associated with its activities even at this early stage as factories are just beginning to implement recommendations.

A secretariat was established operating under the administrative umbrella of NCCI and hosted within a member organisation (Maersk). This produced good management and high-quality outputs. With four staff during most of the operational period the secretariat could commission and guide technical support to conduct outreach, establish the knowledge hub and undertake the audits. The secretariat has recently lost the International Advisor and technical local consultant and finding suitable replacements has proved difficult. The remaining staff is sufficient, now that most of the audits have been completed, to conclude the remaining work programme and bring the engagement to a close, but not to extend the engagement. NCCI no longer share the salary and services of the Project Director, there seems to be little overlap between the work of NCCI and that of the engagement (note however that NCCI is still firmly committed to providing valuable office space and administrative support).

A good knowledge hub has been established, with useful information, some from specially commissioned research and with a lot of “hits” from local stakeholders. The hub could be strengthened by including case studies from the audits as this information becomes available. Through hosting of events, the engagement has attained a high profile and visibility with a good reputation in Bangladesh.

The national accreditation system for EE auditors is being prepared by the Sustainable And Renewable Energy Development Authority (SREDA) but is not yet ready and the pool of suitably qualified local suppliers is small. The engagement’s target for training and accreditation of auditors was not met. Use of international technical assistance for this and other purposes was constrained by security concerns.

A good relationship with target industries was established due to sensitive approach by business-friendly executives who were aware of and sympathetic to private sector concerns, rather than a part of the regulatory system. This created a demand for audits that enabled targets to be exceeded. Solutions provided were simple, low-tech (LED lights, efficient fans, better steam valves, waste-heat boilers). International expertise might add more innovative and wide-ranging alternatives.

3.1.2 Assessment against DAC Criteria

Relevant: Extremely relevant as target factories turn to EE in response to four pressures: impending regulation, (international) customer demand, energy supply problems and energy price increases.

Efficient: Can demonstrate overall efficiency by showing the actual cost savings made by investing factories exceed the costs of the engagement (potential savings are much greater – by an order of magnitude). Could be delivered more efficiently (and sustainably) if factories paid for the services.

Effective: The information hub delivers useful advice and the audits deliver practical and actionable recommendations. Monitoring is needed to ensure that recommendations are implemented effectively, with due consideration to longevity and maintenance of new equipment. Effectiveness could be improved by the utilisation of state-of-the-art international technical expertise.

Sustainable: Potential for sustainability resides mainly in the knowledge hub being maintained; enhanced with the latest results and case studies; and, actively disseminated to stakeholders. Actions are needed to ensure this. It is not clear that the secretariat has, or requires, a long-term future.

Impact: Substantial impact generated by a relatively small intervention. It has received national attention, including from policy makers, financial institutions, and the international clientele for Bangladeshi products. It has generated interest and provided solutions across a range of industrial sectors. Early participants are already showing substantial reduction of energy consumption and GHG emissions.

3.1.3 Summary and Recommendations

The engagement has succeeded as a pilot in showing that there is scope for cost-efficient energy and GHG reductions in the targeted sectors, and that NCCI – as a non-governmental, industrial support organisation - was an effective entry-point through its commercial network. It has largely achieved the expected outcome and outputs. It also has the potential for strong synergies with the embassy's trade facilitation activities. Weaknesses and/or opportunities missed include: the uncertainty over the set-up and anchorage of the secretariat; the lack of use of the short-term international TA; insufficient provision for long-term monitoring and uncertain long-term path to sustainability for the knowledge hub; and inconsistent exploitation of the synergy between the engagement and Danish trade and economic interests.

During the final phase of current project, there is a need to further consolidate and disseminate the knowledge gained; and, to determine whether and how to extend the engagement by rolling it into the on-going country programme.

Recommendation 1.1 Consolidate knowledge base: The knowledge hub should be extended with the lessons and monitoring findings from the audits and investments made by partners, presented as case studies where possible. Access should be unrestricted but monitored. Outreach events should continue to promote the resource. Options for a long-term home should be researched.

Recommendation 1.2. A decision should be made before end of November 2017 about whether to extend the engagement as part of the country programme or whether to close it. If it is to be closed an exit strategy should be developed dealing with, inter alia: collection and analysis of data from factories that have received audits; analysis and dissemination of lessons learned; and, long-term sustainability of the knowledge hub

3.2 Waste to Energy assessment and recommendations

3.2.1 Assessment of status progress and results

Budget Allocated DKK 8.55 million. Total disbursed to partner as of 09/17, DKK 8.55 million (USD 1.4 million). Spent: USD 0.86 million
Remaining USD: 0.44 million

The Engagement began in January 2015, at which time the total financial commitment was disbursed, and was scheduled to continue for three years. In the biannual report, issued December 2016, IFC indicated that there were major impediments to making further progress. Namely that, “according to the Bangladesh government rules, there is no provision for connecting biogas or electricity to the grid, and commercial usage of liquid fertilizer is prohibited”. They therefore recommended that the Engagement should close. In October 2017 a “Closing Report” was issued bringing the Engagement to a close, 3 months early with around 35% of the budget remaining.

The performance against the targets originally set out in the DED is summarised in the table below.

Table 2: W2E Progress Against Targets established in the DED

	Target as set out in DED	Achieved
Outcome	11 GWh/ year of Clean Energy and 74,000 metric tonnes of GHG / year abated	0
Output 1: Partnerships	5-10 companies in W2E partnerships	1 (5 pending)
Output 2: Awareness	5 workshops/events 75 poultry SMEs and 50 FIs attend	5 workshops/events 30 poultry and dairy farms attend and 10 FIs
Output 3: Access to Finance	Investments of USD 2 million	0
Output 4: Market Linkages for Organic Fertilizer	5 businesses relationships, selling 100,000 tonnes / year	1 business relationship

The Engagement missed all the targets. No progress was made towards the Outcome target (which measured the CO₂ abated through the operation of waste-

to energy installations) but this because, after a feasibility assessment of some potential W2E options, it was decided not to go forward with the investments. Important knowledge outputs were not fully captured in the indicators: notable achievements included providing technical assistance to selected farms interested in waste to energy initiatives, sector wide workshops; establishing Bangladesh Agricultural University (BAU) as a knowledge hub for the sector to test, develop and disseminate new technologies on waste to energy initiatives; facilitating a partnership between BAU and Aarhus University (AU) in Denmark for greater knowledge sharing; and undertaking a number of key studies to understand the waste to energy space better.

The decision not to proceed further because key institutional barriers to commercial W2E remain: namely, a ban on the use of slurry as a liquid fertilizer and regulations to enable the sale of renewable electricity. These are being addressed, assisted by knowledge generated by the Engagement, but it remains uncertain when these issues will be resolved. Also, research promoted by the Engagement suggests that it is not clear that suitable off-the-shelf technological options for large-scale biogas production in Bangladesh are available. Research is still needed.

This was a pilot project designed to test approaches as well as to identify barriers and see how they could be overcome. It also sought to raise awareness amongst SMEs and potential investors, and generate knowledge to inform policy making and planning and design of new projects. It succeeded in part and some of its effects (ie the effect on policy) remain to be seen.

3.2.2 Assessment against DAC Criteria

Relevant: The Engagement was very relevant due to energy shortages and increasing waste generation affecting the agricultural sector in Bangladesh. The W2E route is being tried by small and large producers all over Bangladesh but many of the plants fail due to poor design and operation, the knowledge and (intended) practical examples provided by the Engagement would have been very valuable. In addition, the use of untreated “raw” poultry waste is a developing potential health and economic hazard in Bangladesh and properly designed biogas generation neutralises this threat.

Effective: The Engagement was effective in reaching stakeholders, making information available to them, and creating a knowledge hub. Mechanisms used were, in general, very efficient, including establishment of a partnership between BAU and Aarhus University thus allowing the exchange of expertise between these two institutions to develop technical research findings and guidance specific to the Bangladeshi context.

Sustainability: The sustainability of the Engagement is intended to reside in the use of the knowledge generated to influence future policy and investment decisions. There is good reason to believe this will be achieved as participants in

the ongoing policy debate have benefited from awareness raising activities and have access to research outputs. The knowledge needs to be available to future users. The cooperation between Aarhus and BAU (based on MoU 2015 -2020) is useful but now unsupported.

Impact: The impact of the engagement depends on currently ongoing policy developments and subsequent investment decisions by private stakeholders. If, as is anticipated in the “Closing Report” the major regulatory bottlenecks are soon removed and investors, motivated and informed by the engagement, go ahead with W2E investments, the impact will be substantial and enduring.

3.2.3 Summary and Recommendations

The engagement implemented by IFC will not achieve the expected outcome and result. But the engagement should not be considered failure. It tested the potential for scaling-up innovative technology and generated useful insights including knowledge about its feasibility and constraints in Bangladesh. It also established a fruitful and enduring academic collaboration between Denmark and Bangladesh. Lessons from the partnership with IFC may inform new engagements under the country programme.

Recommendation 2.1: The knowledge generated under the engagement needs to be available to future users. The cooperation between Aarhus and BAU (based on MoU 2015 -2020) is valuable useful but now unsupported. The Embassy should investigate whether it would be feasible and efficient to continue to support this collaboration, as a means of securing the sustainability of the knowledge hub, at least for the duration of the current MoU.

3.3 Forward looking approach on the program

3.3.1 Sector challenges, opportunities and risks

Sustainable energy use remains of critical importance to the Bangladesh economy. Availability and the rising price of gas is a significant and growing constraint on the growth of industrial activity. The Government of Bangladesh and the private sector are aware of the challenges and are seeking policy and technical solutions but only where these do not threaten economic growth. The current Danida engagements in the sector have met this criterion. They have piloted interventions that targeted the nexus between industrial innovation, sustainable energy and environmental quality. This is an area where Danish expertise is strong and there is a significant opportunity for synergy with Danish trade and commercial interests.

3.3.2 Brief mapping of other donors' activities

There are several donor interventions ongoing or planned that address sustainable energy. The most significant of these are as follows:

- GIZ: Renewable Energy and Energy Efficiency Programme, includes capacity development of regulators (SREDA), and initiatives in Green

Finance, EE, RE and W2E.

- JICA: Energy Efficiency and Conservation Financing Project, focusing on financing mechanisms (soft loans) for sustainable investments.
- Korean Energy Agency: Assisting SREDA including with the roll-out of the Energy Audit Certification Programme.
- IFC: PaCT I and II (Partnership for a Cleaner Textile industry) PaCT I was an holistic programme that worked through the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) to help factories identify and implement Cleaner Production (CP) measures while also helping develop a “Green Fund”, creating an information centre and strengthening the enabling environment for CP. PaCT II is being designed and will extend the efforts of to the entire textile and garment value chain.
- USAID: Energy Efficiency Programme undertook audits and subsidised investments but was closed in October 2017. Factories that invested are still reporting results, however, and useful information may still emerge.
- ADB: A \$26 million concessional loan to finance small and medium-sized renewable energy and energy efficiency facilities, primarily in the rural areas of the country.

3.3.3 Identification of options for energy sub-theme

Several donors offer technical, and sometimes, investment finance support in sustainable energy or green growth. Demand for support, particularly from the private sector is, however, much greater than available resources and there is plenty of scope for Danish intervention without danger of overlap and some opportunities for collaboration or joint funding.

Danish support could make use of the DKK 20 million in unallocated country programme funding plus, potentially, the unused funds in W2E and 3e (around DKK 2.8 million and DKK 2.2 million respectively). The scale and timing of the funding suggests that it would be better for Danida to extend or build on previous interventions, or join with other donors rather than seek to develop something entirely new. Realistically this leaves a few main options as described in the table below.

Main Option	Sub-Option	Key Issues/ Comment
Exit and Close 3e	Find a new home for and continue to support the knowledge hub	There are plenty of resources and time to design and implement an effective exit strategy
Continue 3e as currently	With NCCI or change partner Change focus to provision of specialist expertise and pay attention to trade promotion opportunities where they exist Deepen the current analysis – more audits in the same sectors producing better sector advice	The trade organisation, business-friendly entry point is considerable asset.

Expand 3e	<p>Expand audits to cleaner production/green growth</p> <p>Expand the auditors' remit to include RE</p> <p>Increase the number of audits by starting to recover costs from beneficiaries</p> <p>Initiate selected pilot projects with subsidised investment</p>	<p>Installations are under pressure to deal with waste water and pollution also. There is some interest in integrated approaches.</p> <p>Note: Many factories are interested in rooftop solar</p>
Partner with other DPs working or planning to work in the area	<p>PACT phase II is under development by IFC, covers the areas addressed by 3e.</p> <p>If all available funds were committed to this intervention, there would be good leverage to negotiate changes that reflect Danida priorities (possibly including positioning an ILTA, absorbing the 3E knowledge hub</p>	<p>IFC is seeking USD 5.0 million for PaCT II, from donors plus USD 2.0 million from industry. So far Australia is showing interest. Netherlands, donor for PaCT I, is non-committal.</p>

The options in the table are not mutually exclusive. Funds would be sufficient to support both 3e and PaCT II.

4 Appraisal of support to climate adaptation in Bangladesh

4.1 General consideration about the Danish support to climate change adaptation in Bangladesh

Bangladesh may be the most climate change vulnerable country in the world. The country is already struggling with current climate-induced hazards, and the long-term challenges of climate change for the Bangladeshi economy and its people will be significant. Thus, support to Bangladesh in its efforts to reduce the vulnerability of the most exposed areas and strengthen the resilience of exposed communities, is urgent and consistent with Danish international assistance strategy.

The climate change portfolio of the Danish Embassy in Dhaka is already relatively complex with:

- a thematic programme under the Country Programme on “Climate Resilience and Sustainable Energy” with two sub-themes (of which the one on sustainable energy is still to be defined);
- three separately managed engagements supported by allocations from the climate envelope; and,
- one engagement supporting HYSAWA, with a specific focus on adaptation.

The proposed new engagements to be financed under the climate envelope in 2017 will further add to this complexity, and to the administrative burden of the

Embassy. From an administrative point of view, it is positive that both engagements are continuations / extensions of existing activities. Further, both do produce relevant results that address climate change adaptation challenges in Bangladesh. However, the more strategic justification for expanding the current portfolio and the relevance of the new engagements in relation to the longer vision for the Danish collaboration with Bangladesh could be clarified further. Will Denmark continue to engage in supporting Bangladesh in building resilience to the impacts of climate change in the vulnerable coastal communities, and to what extent may the current partners and implementation approaches be part of a future country programme? If some activities could continue beyond the current programme, it might be relevant to use the new grant to pilot / testing some of the ideas for a new phase.

Recommendation App. 1.0: The embassy should initiate strategic considerations about the future DK-Bangladesh partnership and collaboration in the climate change vulnerable coastal region and on how current partners and implementation approaches may fit into this strategy as an input to mid-term review of country programme.

In addition, as a consequence of updating the DEDs, based on the appraisals recommendations, the Thematic Program would need to be updated. Suggestions in Annex G may be used to guide this update.

4.2 Climate Resilient Rural Infrastructure Project II (CRRIP II)

CRRIP II is basically an expansion of an existing engagement under the current country programme into a new geographical area - the Noakhali region. The implementation strategy and approach of CRRIP II will be similar: using labour-intensive methods for construction of climate resilient rural roads. The proposed DE intends to use the same approach to technical assistance of CRRIP I, including a full-time Technical Advisor and approximately 150 Danida financed local support staff.

The objective of CRRIP II is: *Enhance adaptive capacity of selected rural poor of coastal Bangladesh against climate variability and change by improving rural infrastructure at climate resilient standards and safeguard their future wellbeing.*

Overall, the DED presents a clear and realistic proposal, based on a detailed Concept Note made by the Local Government Engineering Department (LGED) of the Ministry of Local Government. The proposed Danida budget of DKK 20 million is to be matched with an additional DKK 40 million contribution from GoB's own finances.

4.2.1 Relevance and justification

The areas targeted by the engagement are frequently exposed to climate related shocks: Endangering local people, property and livelihoods. The proposed engagement is therefore valid and relevant. The engagement targets the poor people in selected areas of Noakhali and Hatiya Island in the coastal belt of

- Bangladesh most vulnerable to climate change. It proposes to provide better and faster access to cyclone shelters; improved flood control; and, improved livelihoods for poor women by contracting them to construct the infrastructure.

CRIPP II proposes a change in approach in comparison to CRIPP I by employing the LCS workers full-time for three years so that they will also be involved in maintenance instead of only construction. Thus, Output 4 stipulates: *Employment of LCS workers and maintenance of rural infrastructure during the lean season*. The indicator is “employment of 5,000 LCS women to maintain infrastructure”. This is equivalent to 33 women per km of road constructed. The budget is estimated to absorb DKK 14.8 million or approximately 25% of the total budget and GoB intends to fully finance this part.

The change in approach raises a number of questions, such as:

- Is there sufficient work for all these women in the lean period?
- What are the supervision requirements and costs of such an approach?
- Is this an approach the LGED expects to scale-up to other part of the vulnerable regions and what would be the costs of such up-scaling?

The appraisal team is not convinced that it is justified or efficient to change approach for this expansion of CRIPP to a new region.

Recommendation App. 1.1: CRIPP II should follow the same basic approach to the use LCS as CRIPP I, unless clearly justified as pilot-testing new approaches for likely future scale-up.

4.2.2 Theory of change and results framework

The objective is not coherent but could be strengthened and rephrased as: Enhance resilience of target rural poor communities by improving infrastructure and providing livelihood opportunities.

The result framework and the proposed indicators of this new phase of CRIPP need to be strengthened. For example, both the outcome and output indicators use the number of women employed as a measure of success. The number of direct beneficiaries of the interventions is only captured indirectly. The on-going CRIPP I seems to have a better indicator of outcome - “% of the population in the project catchment areas has easy access to the cyclone shelters/schools, markets, hospitals etc. during cyclones/tidal surges/floods” – that is also more in line with the standard indicator on no. of beneficiaries required by the climate envelope for adaptation projects. Further, it seems relevant to include some measure of the quality of infrastructure produced in the indicators and targets.

Recommendation App. 1.2: Revise the results framework to include # of beneficiaries in the catchment of the relevant infrastructure; Number of extremely poor households (women-headed disaggregated) in target area benefiting from LCS participation; km of roads climate proofed meeting determined quality standards etc.

4.2.3 Efficiency

Quality delivery of climate resilient rural feeder roads, culverts and water harvesting ponds constructed by LCS women was documented during a visit to Noakhali and Hatiya Island, where Danida support has earlier been provided through LGED (2014-15). Anecdotal evidence during the field visit and in earlier reports, suggest that, in general, LCS women have gained sustainable livelihood improvements with alternative income generation from investment in e.g. livestock from LCS earnings.

Estimates indicate that the direct recruitment of LCS women's teams used by CRIPP results in approximately 40% greater overall costs than constructing similar infrastructure using standard contractors. The additional costs are used for training, supervision and controlling payment of LCSs as well as support to the women in finding alternative income generation after the construction work. CRIPP employs 150 full-time staff for this purpose.

Indications are that the LCS modality results in greater costs for infrastructure but most of this extra cost is incurred in ensuring that the women involved are trained and receive sustainable livelihood benefits. No systematic studies have been cited to show whether these extra costs could be reduced, or whether the social benefits could be obtained more efficiently. During implementation evidence should be gathered to analyse the costs and benefits and look at alternatives.

Recommendation App. 1.3: The workplan should include a detailed study of the costs and benefits of the LCS approach in comparison to other implementation modalities with regard to build-quality, construction and maintenance costs, timescale, and social and gender equity benefits. Direct cost expended to achieve social benefits should be compared with other mechanisms for achieving similar benefits. Options for cost reduction/benefit enhancement should be explored and piloted where practicable. Lessons learned should be used to adjust the implementation modality.

4.2.4 Sustainability

It is not clear that LGED's continued use of the LCS modality will be sustainable beyond the programme period without further Danida support. The engagement should undertake an assessment of the options, costs and benefits for LGED to continue using LCSs to construct climate resilient rural infrastructure. This could be part of a clear exit strategy that should also address possible directions for future collaboration or, if relevant, an orderly exit. The exit strategy should be developed during implementation in time for the mid-term review.

CRIPP only intervenes in a relatively small number of Upazilas in Bangladesh. The impact and sustainability of the project achievements could be greatly enhanced if the methodologies, experience and lessons learned are analysed, scaled-up and used more broadly to inform the approach and work of LGED and others constructing rural infrastructure in Bangladesh.

A “center of excellence” has been envisaged as part of CRRIP I. This should be established as a Climate Change Resilience Learning and Information Center (CCReLIC) with support from the Green Climate Fund. Funds are to be committed through KfW, but implementation has been delayed because of legal difficulties between KfW and GCF awaiting resolution.

Lessons learned from CRRIP on climate proofing rural infrastructure would benefit LGED across the institution should be shared with or without CCReLIC.

Recommendation App. 1.4: a) During implementation, when the direction of future Danish support to LGED is clearer, an exit strategy should be developed that addresses costs and benefits of the LSC modality and options for its continued use by LGED; b) Set aside funds to analyse and disseminate lessons learned from CRRIP across LGED.

4.2.5 Management and monitoring

CRIPP is managed through a project management unit (PMU) with around 150 project staff paid by Danida. The DED suggests that the CRIPP I PMU staff will implement CRIPP II. A detailed budget, however, sets aside a budget line of approximately DKK 6.5 million for Danida to employ additional CRRIP II staff at local level, and, for survey and overall supervision, at central level.

Monitoring is well described and detailed, but should be reflected in the indicators, see recommendations App. 1.2.

Recommendation App. 1.5: CRRIP II should be implemented using the current CRRIP I staff at least at central level.

4.2.6 Impact

A large number of poor people in climate vulnerable areas will have easier and faster access to cyclone shelters; better and more efficient access to markets, and; will be living in areas more resilient to flooding and cyclone surge. In addition many poor and destitute women will have improved livelihood.

CRRIP considered engaging Bangladesh University of Engineering and Technology (BUET) as service provider to make a more detailed climate vulnerability assessment at Upazila level, to identify the most flood, cyclone/sea surge vulnerable target areas and to use this to introduce a more bottom-up approach to setting priorities with local involvement through Participatory Rural Appraisal (PRA).

Ownership and impact of the priority climate resilient infrastructure will be improved by using a more targeted approach through PRA in areas identified as most vulnerable.

Recommendation App. 1.6: LGED is encouraged to pursue the cooperation with BUET further and learn from the HYSAWA approach to PRA. In areas

where both LGED and HYSAWA have activities, LGED should use the priorities that emerge from the HYSAWA PRA to inform their planning.

4.2.7 Budget and Financial management

A detailed activity-based budget apportions all budget lines between GoB and Danida, but the rationale for the proposed division is not clear. Further, this very complex parallel financing of similar activities is not sufficiently transparent and may make financial management, accounting and auditing challenging.

LGED is known to be efficient in delivering infrastructure to the local level, but Transparency International Bangladesh (TIB) also note that LGED is among the least transparent government institutions in Bangladesh. However, to enhance transparency in CRRIP I, LGED is in the process of piloting and testing the use of mobile payment of LCS staff - instead of the current method (i.e. cash payment carried out by the LCS chairperson at the local level overseen by LGED and Danida paid staff).

The most transparent and accountable way of budgeting and paying of LCS women should apply.

Recommendation App. 1.7: Make the apportionment of budget items between GoB and Danida clearer. Include explanations and justifications to enable simplified accounting and auditing. Implement systems following the conclusions from CRRIP I piloting of transparent payment of LCS women. The standard paragraphs on anti-corruption should be added to the DED.

4.3 Climate Resilience Water Supply and Sanitation Services

The DED: *Climate Resilience Water Supply and Sanitation Services through Strengthened Local Government Institutions*, was prepared by HYSAWA for support through the Danida Climate Envelope with a proposed budget of DKK 10 million. This DED forms the basis for the appraisal. The proposed HYSAWA DED proposes a continuation of the on-going Danida support for piloting adaptation of water and sanitation infrastructure to climate related hazards.

The proposed objective of the HYSAWA DE is: *To establish and finance sustainable mechanisms at the local government level that provide vulnerable communities with adaptation capacity including access to climate resilient water and sanitation facilities.*

The support will be focused in Noakhali and Hatiya Island and is fully elaborated in a detailed project document also submitted by HYSAWA.

Swiss Development Cooperation (SDC) is in the process of approving a new and final exit phase of its support to HYSAWA “*Empowering and Decentralizing Local Government Institutions (LGI) to manage Hygiene, Sanitation and Water Supply service Delivery in hard-to-reach areas of Bangladesh*” with a financial envelope of CHF 3.5 million over three years. Danida will co-finance this exit phase, the focus of which will be to support a transformation and reorientation of HYSAWA into a service

organisation for supporting local government institutions with multiple funding sources, including GoB .

4.3.1 Relevance and justification

The DE with HYSAWA is relevant. HYSAWA is well known to successfully implement WaSH in hard-to-reach Union Parishads applying a bottom-up participatory rural appraisal (PRA) approach to prioritize climate adaptation interventions (local resilience plans) and applying a simple and well-tested climate adaptation approach. Such areas are generally vulnerable to climate change and Hatiya and Noakhali are particularly vulnerable with their location at the estuary of Meghna and the Bay of Bengal. The seventh five-year plan (2016 – 2020) of the GoB emphasises adaptation to climate change and acknowledges that strengthening the local Government is key for improving public service delivery.

When the new Danish Country Programme for Bangladesh was approved in 2015, it was decided not to continue the support to HYSAWA. Instead, a small extension of the on-going support up to the end of 2017 was agreed with a specific focus on climate resilient water and sanitation infrastructure.

The currently proposed supplementary funding and extension of the HYSAWA engagement can only be justified if clearly seen in the context of the Swiss financed exit and transformation phase that aims to make HYSAWA *a sustainable service provider for Local Government Institutions*.

Recommendation App. 2.1: a) SDC's continued support to HYSAWA should be a precondition for Danida to support HYSAWA, and; b) Danida's support should be integrated with the SDC exit strategy to transform HYSAWA into a service provider to local governments, tapping into multiple sources of finance.

4.3.2 Theory of change and results framework

The DED is well written and the objective of the DE is likely to be attained in the target communities because HYSAWA uses an effective and well-tested approach for PRA planning and implementation, reflected in the outcome and the outputs. The outcome, however, is unclear and/or unambitious. Output indicators are quantitative and the output 2 indicator is limited to the number of functionaries that have received training.

Outcome indicators should include the aggregated number of beneficiaries, and at output level the monitoring efforts could be more effective by harmonising indicators with relevant SDC outcome 1: *“Sustainable models of local service provision are established in, consolidated and promoted by Union Parishads – in particular in climate resilient water supply, sanitation and hygiene related services”*.

Recommendation App. 2.2: The results framework for the Danida support should include reference to an exit strategy in a harmonised approach with the proposed SDC outcome 1 support: with shared relevant outputs and targets.

4.3.3 Efficiency

The HYSAWA approach to develop climate resilient water and sanitation facilities is efficient, and considered value for money, by reaching a large number of direct beneficiaries at an average cost of DKK 60 per beneficiary, including transaction costs.

4.3.4 Sustainability

HYSAWA produces relevant results efficiently at local level, but the life of the institution is uncertain beyond the period of SDC / DANIDA funding. HYSAWA currently receives no government funding and is reliant on a few donors to sustain its operation. HYSAWA's current business model has not allowed it to become the vibrant, large-scale, multi-donor vehicle that was envisaged when the organisation was initiated by Danida.

HYSAWA will only be able to continue providing services and making an impact by adopting a strategy to ensure/ facilitate its sustainability and will only achieve institutional sustainability if SDC support is successfully implemented and the proposed new business model is followed, including: *“Create an Operation & Maintenance Fund (O&M Fund) to support UPs and communities to maintain in the long-term Climate resilient water supply infrastructures”*

Recommendation App. 2.3: As part of an exit strategy include, in harmony with the approach adopted by SDC, support to consolidate post-construction services and maintenance. See also Recommendations 1 and 2.

4.3.5 Management and monitoring

The organisational capacity of HYSAWA will be strengthened to become a sustainable service provider for Local Government Institutions if outcome 2 of the proposed SDC support is achieved.

Danida currently sits on the Board of HYSAWA, and will continue this as long as Danida support continues.

HYSAWA's acting management has a primary focus on technical and planning issues and the capacity for strategic planning is stretched. The configuration of the leadership within HYSAWA, its governance structure and staffing will be assessed and strengthened through the SDC support, either through new recruitments or through strong training and backstopping in management and fund mobilisation.

The Danida support to the DE can be used to evaluate and further strengthen the transformed management structure.

4.3.6 Impact

Around 45,000 poor people living in hard-to-reach areas will be reached. They will immediately and directly benefit from climate resilient water and sanitation services and improved hygiene implemented through HYSAWA.

4.3.7 Budget and financial management

HYSAWA administration fee is set at 7.4% of the total budget; 42% for development of Local Development Plans, of which most is for training of Union functionaries; 35% for investment in infrastructure; 13% for local resilience planning, and; 2% for knowledge sharing. Too much money has been allocated to the local development plans, particularly seen in the context that SDC also provides money in this area. Some funds should be transferred to testing and validating innovative approaches (see recommendation 4)..

Recommendation App. 2.4: Redistribute budget between outputs to put more emphasis on testing and validating innovative approaches to climate change resilient water and sanitation at the local level. In addition the standard paragraphs on anti-corruption should be added to the DED.

ANNEXES

Annex A: Final Meeting Schedule

Date and Time	Meeting	
	Review	Appraisal
Monday – 9 October	Arrive Dhaka – Pick Up from Airport at 20:30 Lars Mikkel Etihad EY258 <i>Hotel the Way</i> <i>Road-54/B, Gulshan-2</i>	
Tuesday – 10 October	Pick-up: 04:45 Jens Fugl Turkish Airlines <i>Hotel the Way</i> <i>Road-54/B, Gulshan-2</i> 11.00 – 12.30 <i>Embassy, Room 6.113</i> Briefing and discussion on approach for the mission. This will include discussion on challenges and opportunities for the Engagements under review and under appraisal. Mission: Jens, Lars and Raymond RDE: PBJ, AAK, FR	
	14:00 – 15:00 Embassy Meeting with RDE Growth Counsellor, Jens Rise Rasmussen (Jens and Raymond)	14:30 – 15:00 SDC, Embassy of Switzerland Beate Elsässer, Director of Cooperation (Lars, Jens) 15:00 – 16:30 Embassy, Room 6.110 Meeting with Elio De Bonis at RDE (Lars)
Wednesday – 11 October	10:00 – 1200 NCCI/3E Briefings from the partners on progress/discussions on future DE (NCCI+3E+ Jens+Raymond+FR)	10:00 – 14:30 LGED (Lars) Briefing on status of current DE and

	<p>15:00 – 16:00 SREDA, Chairman Md. Helal Uddin (Jens and Raymond+FR) (Level 10 IEB Bhaban Ramna Dhaka) at 3.00 pm on 11 October 2017.</p>	<p>discuss content of proposed DED</p> <p>BUET – at LGED</p> <p>B-kash – at LGED</p>
	<p>19:00-21:00 Peter's residence Dinner, meeting KfW, USAID, German Embassy, SDC</p>	
<p>Thursday – 12 October</p>	<p>10.00-11.00 IFC, Gulshan W2E – IFC (Jens, Raymond+FR) Mr. Pradeep Patro, Regional Lead - Development Partner Relations, South Asia Mr. Muhammad Taif Ul Islam, Operations Officer, IFC</p> <p>11:00-12:00 IFC, Gulshan PACT – IFC (Jens, Raymond+FR) Ms. Nishat Shahid Chowdhury, Program Manager, PACT</p> <p>14:30-15:30 GIZ (Raymond) GIZ meeting at: Empori Building (Madani Ave) 7th floor. Mr. Glasbrenner, Guntram M +880 (0)170 8832471</p>	<p>12.30-14.00 HYSAWA (Jens and Lars) Briefing on status of current DE and discuss content of proposed DED</p> <p>14.30 – rest of the day Travel to field visits – Sadarghat for river boat</p>
<p>Friday – 13 October</p>		<p>Field visits – Hatiya and Noakhali (Jens and Lars+Peter+Asif)</p>
<p>Saturday – 14 October</p>	<p>8:30-15:00 Field visits to firms that have had audits -</p>	<p>Field visits – Hatiya and Noakhali</p>

	<p>A one Polar Ltd. Vulta, Rugganj, Narayanganj Md. Kamrul Hasan 01926 633506 (Raymond+3E)</p>	<p>(Jens and Lars+Peter+Asif)</p>
<p>Sunday – 15 October</p>	<p>13:15 – 14:00 USAID Mr. Kerry Reeves US Embassy, Dhaka (Raymond+FR)</p> <p>16:00 – 17:00 Dr. Md. Ehsan Professor, ME, BUET Ph: 01711446564 (Raymond+FR)</p>	<p>Field visits – Hatiya and Noakhali (Jens and Lars+Peter+Asif)</p>
<p>Monday – 16 October</p>	<p>8:00-16:00 Field visits to firms that have had audits: Newage Apparel Ltd. Nischintapur, Purbo Norsinghapur, Zirabo, Savar. ABM. Faqrul Alam Rubel 01730 793301 Continue.... visits to Nafa Apearles Limited Hizulbati,Baroipara,Kaliakoir, Gazipur. (Jens, Raymond +3E+FR)</p>	<p>14:30 – 15:30 Transparency International, Bangladesh (TIB), Dhanmondi Dr. Sumaiya Khair, Advisor <i>Discussion on transparency in climate change (Lars)</i></p>
<p>Tuesday – 17 October</p>	<p>9:00 – 10:00 Embassy, Jacob’s Room Commercial Counsellor, Jacob Kahl Jepsen (Raymond)</p> <p>10:00 – 11:00 Mr. Alim, Energy Auditor (Raymond)</p> <p>11:00 – 11:30 Agriculture university Dr. Chayan Kumar Saha Ph: 0175626517 (Raymond)</p> <p>11:30 – 12:00 Ms. Israt Jahan, 3E (Raymond)</p>	<p>11:00 – 12:00 World Bank on Adaptation – Climate Change Focal Point Ms. Shahpar Selim (Jens and Lars)</p> <p>12:00 – 13:30 LGED (Jens and Lars) Briefing on status of current DE and discuss content of proposed</p>

		DED
Wednesday – 18 October	Morning Team discussions and working on debriefing PPT 14:00 – 16:00 Debriefing with Embassy (Ambassador + Refika + mission)	
Thursday – 19 October	14:00 – 15:00 Meeting NCCI+Mission (meeting room 6.113)	10:00 – 12:00 Debriefings at Embassy + LGED and HYSAWA
Friday – 20 October	International Team Departs Dhaka	

Appraisal mission members:

- i) Mr. Jens Fugl (JF), **Team Leader**, MFA/Danida Department for Technical Quality Support (TQS).
- ii) Mr. Lars Mikkell Johannessen (LMJ), **External Consultant** to TQS.
- iii) Mr. Raymond Colley (RC), **External Consultant** to TQS.

Danish Embassy Contacts:

- Peter Bogh Jensen, peboje@um.dk +8801730150156 (PBJ)
- Asif Aziz Khan, asikha@um.dk +8801713247419 (AAK)
- Ms. Farhana Ruma, farrum@um.dk; +8801713452844 (FR)

Annex B: Documents consulted

Embassy of Denmark, September 2017; Draft Thematic Programme Document: Climate Resilience and Sustainable Energy Bangladesh; 2016-2021

HYSAWA: DED draft: Climate Resilient Water Supply and Sanitation Services through Strengthened Local Government Institutions (LGI)

HYSAWA: Climate Resilient Water Supply and Sanitation Services through Strengthened Local Government Institutions. Project Document

Swiss Development Cooperation (SDC), 2017: *“Empowering and Decentralizing Local Government Institutions (LGI) to manage Hygiene, Sanitation and Water Supply service Delivery in hard-to-reach areas of Bangladesh”*

SKAT for Swiss Agency for Development and Cooperation (SDC) FINAL (23.03.2017): END-PHASE REVIEW OF HYSAWA FUND

LGED: Implementing Partner’s Document (Concept Note) for Climate Change Adaptation Project Phase III (CCAP III)

LGED (2015): CLIMATE CHANGE ADAPTATION PILOT PROJECT 2013 – 2014; Implementing Partner’s Final Report

LGED Annual Report 2015-2016

Unknown author: 12 June, 2017: Short Summary of the Meeting (*between Danida and*) with LGED

Elio De Bonis, April 2017: Noakhali/Laxmipur Field Trip (CCAP-III DED)

Ambassaden, Dhaka, Non-Paper (without date): Kyst, Klima, Migranter og Flygtninge: Flerstrengt Dansk-Bangladeshisk partnerskab i de kystnære områder.

3e: DED Urban Climate Change Adaptation and Resilience in Dhaka (UCCARD)

Stephan Skare Enevoldsen: Green Growth through Energy Efficiency – Green Growth Conference – Nurturing a Green Economy April 26 2017

3e: Addendum to the Development Engagement Document for 3e.

Thematic Programme Document for Climate Change Adaptation and Mitigation Program (CCAMP) in Bangladesh. June 2014.

Appropriation Note: External Grant Committee Meeting, 13 May 2014

Bangladesh Country Programme 2016-2021.

Torben Lindquist et. al: Appraisal of the Climate Change Adaptation and Mitigation Project (CCAMP). April 2014

Bangladesh Country Programme 2016 – 2021 Appraisal Report. TAS July 2015

IWFM, BRTC and BUET: Vulnerability Analysis for Selection of Area of Intervention for CRIP.

Policy Support Unit of the Water Supply and Sanitation Sector Programme Support, Phase II July 2009; Climate Management Plan Water Supply and Sanitation Sector; Bangladesh

Planning Commission: Accelerating Growth, Empowering Citizens. 7th Five Year Plan 2016-2020.

USAID: Climate Finance in Bangladesh: A Situation Report. October 2016.

World Bank: River Salinity and Climate Change: Evidence from Coastal BB. March 2014.

World Bank, October 25, 2015: Systematic Country Diagnostic: BANGLADESH; MORE AND BETTER JOBS TO ACCELERATE SHARED GROWTH AND END EXTREME POVERTY

UNFPA: The Impact of Demographic Transition on Socio-Economic Development in Bangladesh. May 2015.

Annex C: List of people met

DANIDA Appraisal Mission: 12-15 October 2017 Field visit to Noakhali district

Team Members:

- Mr. Peter Bogh Jensen, Head of Development Cooperation, EoD.
- Mr. Jens Fugl, Mission Member
- Mr. Lars Mikkel Johannessen, Mission Member
- Mr. Elio De Bonis, Senior Advisor, CRRIP.
- Mr. Asif Aziz Khan, Program Officer, Embassy of Denmark.

LGED:

- Mr. Matiar Rahman, PD, CRRIP;
- Mr. Reffat Nur, Executive Engineer, CRRIP;
- Mr. Abdus Sattar, Executive Engineer, LGED, Noakhali;
- Mr. Md. Ali Ashraf, SME, CRRIP;
- Mr. Abul Kalam, DTA, CRRIP, Gopalganj;

HYSAWA:

- Mr. Nurul Osman, Acting Managing Director, HYSAWA;
- Muhammad Zahid Alam, Programme Officer, HYSAWA
- Mohammad Shafayet Ullah, Field Officer, HYSAWA

People met at the Field:

Name and designation
Mr. Mahbub Morshed Liton, Upazila Chairman, Hatiya Upazila Noakhali
Mr. Faruk Ahmed, Chairman, Tamruddin Union, Hatiya
Mr. Abul Bashar, Member Noakhali Zila Parishad
Mr. Mohiuddin Ahmed, Chairman, Char King Union, Hatiya
Mr. Morshed Alam, Secretary, Char King Union, Hatiya
Mr. Abdur Rouf, UP member, ward no. 1
Mr. Shahnewaz, UP member, ward no. 3
Mr. Shekhar Bhoumik, Head Master, Maddhom Char King Sayeeda govt. primary school
Mr. Shahab Uddin, member, school management committee
Mr. Mohammad Shahjahan, UP member, ward no. 7
Ms. Saira Khatun, Female UP member
Mr. Faruk Ahmed, Chairman, Tamruddin Union, Hatiya
Mr. Mossarraf Hossain, UP member, ward no. 9
Mr. Humayan Kabir, Chairman, Nalchira Union, Hatiya
Mr. Kawsar Ahmed, UP member, ward no. 7

Mr. Golam Kabir, Secretary, Mohammadpur Union, Subarnachar upazila, Noakhali
Mr. Ali Haider Baksi, chairman, Anderchar union, Noakhali Sadar Upazila
Mr. Abu Bakkar Siddique, member, school management committee
Mr. ATM Shahid Uddin, Head Master, Puba Maiz chara govt. primary school
Mr. Hasan Ahmed, UP Secretary, Anderchar union, Noakhali Sadar Upazila
Ms. Fatima Begum, Female UP member, Anderchar union, Noakhali Sadar Upazila

People met for the Review:

Name	Position	Institution	Tel and email
S.M. Zahid Hasan	Component Manager – Energy Efficiency, REEEP	GIZ	s.hasan@giz.de
Guntram Glassbrenner	Cluster coordinator Adaptation to climate change and biodiversity	GIZ	guntram.glassbrenner@giz.de
Mattias Stumpf	Advisor, Adaptation to climate change into planning	GIZ	mattias.stumpf@giz.de
Shafiqul Alam	Senior advisor, Energy-efficiency, REEEP	GIZ	s.hasan@giz.de
Werner Lange	Coordinator textile cluster	GIZ	werner.lange@giz.de
Kerry Scott Reeves	Deputy Office Director (Environment)	USAID	
A.K.D. Sher Md. Khan	Senior Energy Advisor	USAID	
Shayan Shafi	Project Management Specialist (Energy), Economic Growth Office	USAID	
Stephan Skare Enevoldsen	Former Advisor to 3e Secretariat	Embassy of Denmark, New Delhi	
Shamim Ul Huq	Chairman, Energy Efficiency Engagement	NCCI	
Hasan Fatheme	Project Director, 3e Secretariat	NCCI	hasan@nccib.com
Israt Jahan	Admin and Finance Officer, 3e Secretariat	NCCI	israt@nccib.com
Md. Helal Uddin	Chairman	SREDA	
Md. Baitul Amin Bhuiyan	Member (Renewable Energy)	SREDA	member.rc@sreda.gov.bd
Md. Nafizur Rahman	Deputy Director (EAA)	SREDA	dd.eaa@sreda.gov.bd
Mr. Pradeep Patro	Regional Lead - Development Partner Relations, South Asia	IFC	
Mr. Muhammad Taif Ul Islam	Operations Officer, Clean Energy Advisory Services	IFC	Mislam5@ifc.org
Ms. Nishat Shahid Chowdhury	Program Manager, Bangladesh PaCT	IFC	Nchowdhury2@ifc.org
Mohammad Tanvir Al Fazal	Knowledge Management Officer, PaCT	IFC	talfazal@ifc.org
Major Sofiul Azam Chowdury (Retd)	Director, Admin & Compliance	Nafa Apparels, Palmal Group of Industries	azam@palmalgarments.com
Md. Helal Uddin	Sr. Manager, Admin & Compliance	Nafa Apparels, Palmal Group of Industries	helal.compliance@palmalgarments.com
Lt Col Nayeem (Retd)	Director, Admin & Surveillance	Nafa Apparels, Palmal Group of Industries	colnayeem@palmalgarments.com
Mr Shahriar Mahmood	GM, Admin, IIR & Compliance	Nafa Apparels, Palmal Group of Industries	shahriar.fhro@palmalgarments.com
Mr Siddiqur Rahman	GM, Admin & Compliance	Nafa Apparels, Palmal Group of Industries	siddique@palmalgarments.com

Mr. Saiful Millat-	GM, Admin, HR & Compliance	Nafa Apparels, Palmal Group of Industries	millat.hr@palmalgarments.com
Mr Helal Uddin	Sr Manager, Admin & Compliance (Chief Coordinator for 3e)	Nafa Apparels, Palmal Group of Industries	helal.compliance@palmalgarments.com
Mr Mosharraf Hossain	Deputy Manager- Admin & Compliance	Nafa Apparels, Palmal Group of Industries	manager.nalcompliance@palmalgarments.com
Md. Abdul Alim	Consultant Engineer	Wellmake	alim@wellmakebd.com
Md. Shahed Hossain	DGM - HR, Admin & Compliance	A one Polar Ltd	admin.aopl@mfgbd.net
Md. Mahbub Alam	AGM- Environmental Sustainability & CSR	A one Polar Ltd	ems@mfgbd.net
Md.Selim Jahangir	Deputy Manager- Utility	A one Polar Ltd	utility.aopl@mfgbd.net
Md. Abdul Alim	Chief Consultant	Wellmake	wellmake@wellmakebd.com
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Jacob Kahl Jepsen	Commercial Counsellor	Embassy of Denmark	jajeps@um.dk
Jens Rise Rasmussen	Growth Counsellor	Embassy of Denmark	jensra@um.dk
Dr Chayan Kumer Saha	Professor, Dept. of Farm Power and Machinery	BUET	cksaha@bau.edu.bd
Dr. Md. Ehsan	Professor, Dept. of Mechanical Engineer	BUET	ehsan@me.buet.ac.bd
Md. Ziaur Rahman Khan	Professor, Dept. of Electrical and Electronic Engineering	BUET	zrkhan@eee.buet.ac.bd

Annex D: Process Action Plan

Actions	Responsible	Deadline
Draft appraisal / review report	TQA / team	Mon 30/10
Comments by Embassy	Embassy	Sun 5/11
Final appraisal / review report	TQA / team	Tue 7/11
Revision CARE documentation / submit	Embassy	Thurs 20/11
Approval of CARE	Minister for Development Cooperation	By 15/12
Government to Government agreement CARE	Embassy	Dec 2017
Decide on options Sustainable Energy theme	Embassy	Dec 2017
Contract formulation consultant	Embassy	Jan 2018
Appraisal of Sustainable Energy sub-theme	Embassy	Mar 2018
Approval of Sustainable Energy sub-theme	?	Apr 2018
Recruit TA / consultant	Embassy	Mar 2018

Annex E: Summary of Review Recommendations

Title of (Country) Programme	
File number/F2 reference	
Appraisal report date	
Council for Development Policy meeting date	
<p>Summary of possible recommendations not followed (to be filled in by the responsible unit)</p> <p>IFC has already closed the project and sustaining the knowledge hub at this stage is very difficult. While the Embassy appreciates the knowledge that has been generated, we assume that students pursuing higher education in Denmark will be able to transfer their knowledge. From the Embassy's side, it will not be possible to continue further as the partner organization IFC has already closed down the project.</p>	
<p>Overall conclusion of the review</p> <p>The 3e engagement has succeeded as a pilot in showing that there is scope for cost-efficient energy and GHG reductions in the targeted sectors, and that NCCI – as a non-governmental, industrial support organisation - was an effective entry-point through its commercial network. It has largely achieved the expected outcome and outputs. It also has the potential for strong synergies with the embassy's trade facilitation activities. Weaknesses and/or opportunities missed include: the uncertainty over the set-up and anchorage of the secretariat; the lack of use of the short-term international TA; insufficient provision for long-term monitoring and uncertain long-term path to sustainability for the knowledge hub; and inconsistent exploitation of the synergy between the engagement and Danish trade and economic interests.</p> <p>The W2E engagement implemented by IFC will not achieve the expected outcome and result. But the engagement should not be considered failure. It tested the potential for scaling-up innovative technology and generated useful insights including knowledge about its feasibility and constraints in Bangladesh. It also established a fruitful and enduring academic collaboration between Denmark and Bangladesh. Lessons from the partnership with IFC may inform new engagements under the country programme.</p>	
Recommendations by the review team	Follow up by the responsible unit
Engagement Level	
<i>Energy Efficiency Engagement (3e)</i>	

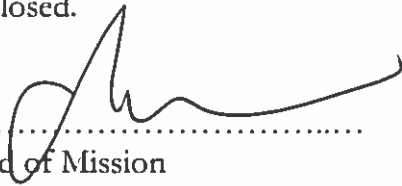
<p>Review 1.1. Consolidate knowledge base: The knowledge hub should be extended with the lessons and monitoring findings from the audits and investments made by partners, presented as case studies where possible. Access should be unrestricted but monitored. Outreach events should continue to promote the resource. Options for a long-term home should be researched.</p>	<p>Agreed, shall follow-up.</p>
<p>Review 1.2. A decision should be made before end of November 2017 about whether to extend the engagement as part of the country programme or whether to close it. If it is to be closed an exit strategy should be developed dealing with, inter alia: collection and analysis of data from factories that have received audits; analysis and dissemination of lessons learned; and, long-term sustainability of the knowledge hub</p>	<p>Decision shall be taken at the Embassy's Programme committee meeting on 16th November 2017 about whether to extend the engagement as part of the country programme or to close it.</p>
<p><i>Waste-to-Energy Engagement (W2E)</i></p>	
<p><i>In October 2017 a "Closing Report" was issued bringing the Engagement to a close, 3 months early with around 35% of the budget remaining.</i></p> <p>Review 2.1: The knowledge generated under the engagement needs to be available to future users. The cooperation between Aarhus and BAU (based on MoU 2015 -2020) is valuable useful but now unsupported. The Embassy should investigate whether it would be feasible and efficient to continue to support this collaboration, as a means of securing the sustainability of the knowledge hub, at least for the duration of the current MoU.</p>	<p>Not agreed. In principle the Embassy agrees it could have been useful to support the collaboration, but the period of support is lengthy and difficult for us to even consider this option. Since the IFC has closed the project already, the Embassy is of the opinion that it is better that efforts are not continued in this lost cause.</p>

I hereby confirm that the above-mentioned issues have been addressed properly as part of the appraisal and that the appraisal team has provided the recommendations stated above.

Signed in..... on the
Review Team leader/TQS representative

I hereby confirm that the responsible unit has undertaken the follow-up activities stated above. In cases where recommendations have not been accepted, reasons for this are given either in the table or in the notes enclosed.

Signed in Dhaka on the 16th November 2017


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Head of Mission
Ambassador Mikael H. Winther

Annex F: Summary of Appraisal Recommendations

Title of the Thematic Programme	Climate Adaptation Resilience Engagements
File number/F2 reference	
Appraisal report date	30 October 2017
Council for Development Policy meeting date	N/A
<p>Summary of possible recommendations not followed (to be filled in by the responsible unit)</p> <p>The Embassy would like to underline that timeline for designing this particular intervention has been very tight indeed. In line with the appraisal mission's visit the ERD and the LGED has called for using this relatively small project of a brief duration as a test case for enhanced ownership by the Government of Bangladesh. They have further argued that the contribution of the Government equals the one by Denmark. Also, they noted the appraisal mission's scepticism about having two funding streams and the somewhat arbitrary division between them. They have therefore pushed for receiving the funding as a core contribution. The Embassy has acquiesced to this call on the condition that the indicators are set out in a more specific and detailed terms; that consultations are held bi-annually and that a management audit is held on an annual basis. The Embassy finds that such model is in line with the appraisal mission's recommendations to test new ways for the partnership with LGED and see to which is extent that may be a way to go in the future.</p>	

Overall conclusion of the appraisal

It is well justified to focus area in Noakhali and Hatyia island in the coastal belt of Southern Bangladesh that is among the most climate vulnerable areas of the country. River floods, high tides and cyclone surges, annually cause major loss of life and property. But also, river bank erosion, salinity intrusion, high levels of salinity in groundwater and arsenic contamination of shallow aquifers.

The project approach applied in Bangladesh with strong Danida involvement in implementation comes with high risk of being fragile for institutional sustainability, but deliver needed and long term sustainable climate resilient infrastructure available to local populations in some of the most climate vulnerable areas of the coastal belt of Bangladesh.

The engagement partners of the program are long standing partners with Danida in Bangladesh and both acknowledged delivering results at the local level.

Learning and sharing planning results between the two partners in the geographical focus area where there is overlap will enhance climate resilience in the supported areas. One partner (LGED), identifies the most climate vulnerable areas to focus on through a modelling process with the Bangladesh University of Engineering and Technology and the other partner (HYSAWA) applies a participatory planning approach to identify the climate resilience needs at the lowest local level. Combining the approach make the planning efforts compatible, generate local ownership and deliver the most effective climate resilient results.

The program is recommended for approval on the condition that changes are made to the design.

Recommendations by the appraisal team**Follow up by the responsible unit****Thematic Programme Level:**

Climate Adaptation Resilience Program

App. 0.1: Revise Program Document to cater for engagement recommendation changes. This will include: strategic considerations & justification, indicators & targets (incl. mandatory climate envelope indicator), management (implementation, monitoring and finance)

Agreed, and changes have been made to reflect the recommendations

App. 0.2: Revise the development engagement in line with the specific recommendations

Agreed, and changes have been made to reflect the recommendations

Engagement Level

Climate Resilient Rural Infrastructure Project II

Recommendation App. 1.0: The embassy should initiate strategic considerations about the future DK-Bangladesh partnership and collaboration in the climate change vulnerable coastal region and on how current partners and implementation approaches may fit into this strategy as an input to mid-term review of country programme.

Agreed. The Embassy plans to follow up in Autumn 2018 by hiring a consultant to look into this.

<p>Recommendation App. 1.1: CRIPP II should follow the same basic approach to the use LCS as CRIPP I, unless clearly justified as pilot-testing new approaches for likely future scale-up.</p>	<p>Agreed, and some modality is changed for testing purpose.</p>
<p>Recommendation App. 1.2: Revise the results framework to include # of beneficiaries in the catchment of the relevant infrastructure; Number of extremely poor households (women-headed disaggregated) in target area benefiting from LCS participation; km of roads climate proofed meeting determined quality standards etc.</p>	<p>Agreed and done.</p>
<p>Recommendation App. 1.3: The workplan should include a detailed study of the costs and benefits of the LCS approach in comparison to other implementation modalities with regard to build-quality, construction and maintenance costs, timescale, and social and gender equity benefits. Direct cost expended to achieve social benefits should be compared with other mechanisms for achieving similar benefits. Options for cost reduction/benefit enhancement should be explored and piloted where practicable. Lessons learned should be used to adjust the implementation modality.</p>	<p>Agreed. The Senior Advisor, CRRIP will be tasked to hire a consultant to carry out this recommendation using funds from the output of CReLic.</p>
<p>Recommendation App. 1.4: a) During implementation, when the direction of future Danish support to LGED is clearer, an exit strategy should be developed that addresses costs and benefits of the LSC modality and options for its continued use by LGED; b) Set aside funds to analyse and disseminate lessons learned from CRRIP across LGED.</p>	<p>Agreed. Further to the task from Recommendation App. 1.0, the consultant will look into this recommendation and provide a report.</p>
<p>Recommendation App. 1.5: CRRIP II should be implemented using the current CRRIP I staff at least at central level.</p>	<p>Agreed. However, it has been decided that in CRRIP II, the Government of Bangladesh will pay for all the staff in this project – making it necessary to hire few new staff even at the central level.</p>

<p>Recommendation App. 1.6: LGED is encouraged to pursue the cooperation with BUET further and learn from the HYSAWA approach to PRA. In areas where both LGED and HYSAWA have activities, LGED should use the priorities that emerge from the HYSAWA PRA to inform their planning.</p>	<p>Agreed. Development Engagement Document has been updated to increase field level collaboration with HYSAWA.</p>
<p>Recommendation App. 1.7: Make the apportionment of budget items between GoB and Danida clearer. Include explanations and justifications to enable simplified accounting and auditing. Implement systems following the conclusions from CRRIP I piloting of transparent payment of LCS women. The standard paragraphs on anti-corruption should be added to the DED.</p>	<p>Agreed.</p>
<p>Climate Resilience Water Supply and Sanitation Services</p>	
<p>Recommendation App. 2.1: a) SDC's continued support to HYSAWA should be a precondition for Danida to support HYSAWA, and; b) Danida's support should be integrated with the SDC exit strategy to transform HYSAWA into a service provider to local governments, tapping into multiple sources of finance.</p>	<p>a) Agreed b) Agreed, as Danida can be deemed as HYSAWA's first client as a service provider.</p>
<p>Recommendation App. 2.2: The results framework for the Danida support should include reference to an exit strategy in a harmonised approach with the proposed SDC outcome 1 support: with shared relevant outputs and targets.</p>	<p>Agreed, we shall follow up on this.</p>
<p>Recommendation App. 2.3: As part of an exit strategy include, in harmony with the approach adopted by SDC, support to consolidate post-construction services and maintenance.</p>	<p>Agreed. The current project already does it as the communities take full post-construction ownership.</p>

<p>Recommendation App. 2.4: Redistribute budget between outputs to put more emphasis on testing and validating innovative approaches to climate change resilient water and sanitation at the local level. In addition the standard paragraphs on anti-corruption should be added to the DED.</p>	<p>Agreed, this will be done in due time in consultation with project.</p>
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I hereby confirm that the above-mentioned issues have been addressed properly as part of the appraisal and that the appraisal team has provided the recommendations stated above.

Signed in..... on the
Appraisal Team leader/Jens Fugl TQS

I hereby confirm that the responsible unit has undertaken the follow-up activities stated above. In cases where recommendations have not been accepted, reasons for this are given either in the table or in the notes enclosed.

Signed in Dhaka on the 16th November 2017
Head of Mission
Ambassador Mikael H. Winther

Annex G: Suggestions for revision of the Thematic Program (TP)

Overall comments:

The background sections for the draft TP are well written and capture all relevant elements.

According to the AMG the format applied for the draft TP not the most recent and may need to be updated. However, it is recognized that it is a small program that to be approved by the Minister through the Under-Secretary of State. AMG suggests a maximum of 10 pages. An outline could be:

Introduction

Brief Programme Context

- Development Context
- Need for the Project
- Brief Programme Description
- Justification for Danish Involvement
- Human Rights Based Approach
- Climate Change and Environment
- Risk Management
- DAC quality criteria

Strategic Considerations and Justification

- Strategic Considerations
- Justification

Programme Summary

- Short Summary of the Development Engagements
- Theory of Change
- Results Framework
- Monitoring Framework
- Budget

Management Set-Up

Detailed comments and recommendations for improvement of the draft TP

Strategic consideration – A transformation (exit) approach (certainly for HYSAWA – and potentially for LGED). This could also include e.g. consolidate and role out what works and test and validate new approaches; public participation at the local level; local ownership, including through LCS, democratic understanding etc.; current project areas vs. new areas -- e.g. the

Hatiya and Noakhali binds the two DEDs together; utilization of BUET vulnerability assessment in CRIPP II feeds into identify HYSAWA priority areas; HYSAWA PRA feeds into LGED prioritization at Uprazila level; leverage of GoB funds and joint approach with SDC

Justification, including Danish involvement in climate adaptation; climate vulnerability of Bangladesh, number of beneficiaries to react etc.

Outcomes can be extracted and indicators adjusted when the DED has refined their outcomes. One indicator should be *“Total number of people supported to cope with the effects of climate change by Climate Envelope resilience programmes (direct and indirect, gender disaggregated)”*

Management, institutional, results monitoring and financial,

Institutional:

Board representation in HYSAWA and Steering Committee in LGED. Purpose and level of decision making; coordination with SDC; role of the adviser;

Results monitoring

Purpose of the monitoring, how monitoring is organized at the program level and how the DED monitoring feeds into this; mid-term review; consider to coordinate with SDC on HYSAWA monitoring and joint review (if any).

Financial:

Include safeguards for misappropriation of funds. Payment structure and the EDK fiduciary risk management etc. Potentially include value for money audit as an option.

Risk management matrix -- the AMG suggests a new and simpler version of the Risk Management matrix as an annex and a narrative only in the text. Contextual risks are primarily those risks related to the Partner Country and generally outside the control of the program. Program risks are those associated directly to the program and Institutional risks are reputational risks to Danida.

Other comments: Reference should be made to HRBA/gender and CC and Environmental background analysis– potentially make reference to the screening notes made for the country program or for earlier climate engagements e.g. CCAMP.