ADB ASIAN DEVELOPMENT BANK

Bangladesh: Coastal Towns Climate Resilience Project

Project Name	Coastal Towns Climate Resilience Project
Project Number	55201-001
Country / Economy	Bangladesh
Project Status	Approved
Project Type / Modality of Assistance	Grant Loan
Source of Funding / Amount	Grant 0858-BAN: Coastal Towns Climate Resilience Project Asian Development Fund — US$ 4.00 million Loan 4237-BAN: Coastal Towns Climate Resilience Project Concessional ordinary capital resources lending — US$ 150.00 million Loan 4238-BAN: Coastal Towns Climate Resilience Project Ordinary capital resources — US$ 96.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth
Drivers of Change	Gender Equity and Mainstreaming Governance and capacity development Knowledge solutions
Sector / Subsector	Transport / Urban roads and traffic management Water and other urban infrastructure and services / Other urban services - Urban flood protection - Urban policy, institutional and capacity development - Urban slum development - Urban solid waste management
Gender Equity and Mainstreaming	Gender equity
Description	The Government of Bangladesh (the government) has requested support from the Asian Development Bank (ADB) to strengthen the climate resilience of vulnerable coastal towns, thereby enhancing their ability to anticipate, absorb, accommodate, and recover from the effects of climate shocks and stresses. The proposed project will support selected coastal towns in pursuing sustainable development and enhancing the quality of life of all residents. It will also help in strengthening rural resilience, as these small towns often act as service centers for surrounding rural areas.
Project Rationale and Linkage to Country/Regional Strategy	Bangladesh is one of the most vulnerable countries in the world with high exposure to a multitude of climate-related hazards such as floods, tropical cyclones and associated hazards, and drought. The natural hazards interact with physical and socioeconomic factors, including its low-lying delta and coastal areas, high population density, poverty levels, and lack of resilient infrastructure, resulting in high disaster risk with widespread impacts on both rural and expanding urban areas. Climate change is projected to alter precipitation patterns with likely unprecedented extremes, increase average temperature, and increase the intensity of tropical cyclones. Further, the country may experience sea level rises of 14 centimeters (cm), 32 cm, and 88 cm by the years 2030, 2050, and 2100, respectively, which will exacerbate the impact of storm surges in low-lying coastal regions. Estimates suggest that the effects of climate change could cause an average loss of about 1.3% in the growth of gross domestic product per year until 2041. Coastal towns and climate risk. Coastal towns are particularly at risk from the impacts of climate change due to a combination of reasons including high levels of poverty and limited capacity of pourashavas (local governments) to invest in resilience. Most of the coastal towns are situated on the riverbanks of low-lying tidal zones at an average elevation of 1.0-1.5 meters (m) from the sea level and face persistent challenges in providing climate-resilient basic municipal infrastructure and services. Coastal flooding is a key hazard faced by the coastal towns. Estimates suggest that without climate adaptation, an average of 2.5 million to 7.2 million people annually will be affected by coastal flooding in Bangladesh in 2070 to 2100. Rapid unplanned development which compromises natural drainage systems and wetlands, inadequate storm water drainage facilities, and poor solid waste management, all contribute to increased climate risk. Sea level rise result in both groundwater and surface water salinity and shortages in drinking water. The climate-related challenges faced by the proposed coastal towns include: (i) inadequate basic municipal infrastructure for resilience, (ii) limited adaptive capacity of low-income and vulnerable communities, and (iii) capacity constraints at different government levels with weak governance. There is an urgent need to strengthen institutional capacity and governance, public awareness and participation, and knowledge management to complement physical investments as part of an integrated approach for building climate change resilience. The proposed project will support strengthening the capacity of pourashavas and the Local Government and Engineering Department (LGED), enabling them to anticipate, incorporate, and respond to changes relating to resource mobilization, governance structures, and future planning.
Impact	Higher and sustainable growth trajectories achieved in the face of the various weather-related natural hazards and risk. Improved livability of coastal towns

Project Outcome	
Description of Outcome	Climate and disaster resilience of coastal towns strengthened, including benefiting the poor and women
Progress Toward Outcome	
Implementation Progress	
Description of Project Outputs	Municipal infrastructure for resilience improved. Resilient livelihoods enhanced Institutional capacity, governance, and climate awareness strengthened.
Status of Implementation Progress (Outputs, Activities, and Issues)	

Geographical Location	Nation-wide

Safeguard Categories	
Environment	B
Involuntary Resettlement	B
Indigenous Peoples	B

Summary of Environmental and Social Aspects
Environmental Aspects
Involuntary Resettlement
Indigenous Peoples
Stakeholder Communication, Participation, and Consultation
During Project Design
During Project Implementation

Business Opportunities	
Consulting Services	All consultants will be recruited according to ADB Procurement Policy and Regulation 2017. Strategic Procurement Planning is ongoing.
Procurement	All procurement of goods and works shall be carried out in accordance with ADB Procurement Policy and Regulation, 2017. Strategic Procurement Planning is ongoing.

Responsible ADB Officer	Sharma, Laxmi
Responsible ADB Department	South Asia Department
Responsible ADB Division	Urban Development and Water Division, SARD
Executing Agencies	Local Government Engineering Department Ministry of Local Government, Rural Development, and Co-operatives

Timetable	
Concept Clearance	16 Aug 2021
Fact Finding	17 Jan 2022 to 03 Feb 2022
MRM	21 Jun 2022
Approval	26 Oct 2022
Last Review Mission	-
Last PDS Update	26 Oct 2022

Grant 0858-BAN

Financing Plan		Grant Utilization			
	Total (Amount in US$ million)	Date	ADB	Others	Net Percentage
Project Cost	4.00	Cumulative Contract Awards			
ADB	4.00	-	0.00	0.00	%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	0.00	-	0.00	0.00	%

Loan 4237-BAN

Financing Plan		Loan Utilization			
	Total (Amount in US$ million)	Date	ADB	Others	Net Percentage
Project Cost	210.00	Cumulative Contract Awards			
ADB	150.00	-	0.00	0.00	%
Counterpart	60.00	Cumulative Disbursements			
Cofinancing	0.00	-	0.00	0.00	%

Loan 4238-BAN

Financing Plan		Loan Utilization			
	Total (Amount in US$ million)	Date	ADB	Others	Net Percentage
Project Cost	96.00	Cumulative Contract Awards			
ADB	96.00	-	0.00	0.00	%

Counterpart	0.00	Cumulative Disbursements				
Cofinancing	0.00	-	0.00	0.00	%	

Project Page	https://www.adb.org/projects/55201-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=55201-001
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