



Project Summary Information

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Project Name	Climate Resilient Inclusive Development Program (Subprogram 1)
Project Number	P000814
AIIB member	People's Republic of Bangladesh
Sector/Subsector	Others/ Exceptions
Alignment with AIIB's thematic priorities	Green infrastructure
Status of Financing	Under Preparation
Objective	To help the Government of Bangladesh (GoB) implement critical structural reforms to mainstream climate change adaptation and mitigation actions for a sustainable, resilient and inclusive growth.
Project Description	The proposed Program will support the GoB undertake key policy reforms to mainstream climate adaptation, mitigation, and disaster resilience in critical sectors and unlock climate investments in Bangladesh. The Program supports implementation of the GoB-led national climate objectives as articulated in the National Adaptation Plan (NAP), 2023–2050 and the Nationally Determined Contributions 2021 update (NDC-U) by strengthening the intergovernmental policy and institutional framework, mobilizing climate finance, and mainstreaming gender equality and social inclusion (GESI). The Program will include three policy Reform Areas (RAs): (i) enabling environment for climate change actions; (ii) reinforcing climate change adaptation actions; and (iii) accelerating climate change mitigation actions to address some of the critical binding constraints.
Expected Results	The expected program outcomes are: (i) enhance the sustainable and climate-focused development pathway; (ii) strengthen resilience and reduce risk and vulnerability to adverse climate change impacts; and (iii) mitigate GHG emissions and transition to a low-carbon economy.
Environmental and Social Category	ADB has categorized the Program as Category B for Environment, C for Involuntary Resettlement and C for Indigenous Peoples (which are equivalent to Category B of AIIB's ESP).

<p>Environmental and Social Information</p>	<p>Environmental and Social Policy. The Program will be co-financed with ADB as the lead co-financier, and therefore, the Program's Environmental and Social (E&S) risks and impacts have been assessed in accordance with ADB's Safeguards Policy Statement (SPS) applicable to PBF. To ensure a harmonized approach to addressing the E&S risks and impacts of the Program, the ADB's SPS will apply to the Program in lieu of AIIB's ESP. AIIB has reviewed the ADB's SPS and is satisfied that: (i) they are consistent with the Bank's Articles of Agreement and materially consistent with AIIB's ESP, including the Environmental and Social Exclusion List and relevant Environmental and Social Standards; and (ii) the monitoring procedures that are in place to are appropriate for the Program.</p> <p>E&S Categorization and Risks. Based on the E&S assessments carried out according to the SPS requirements, ADB has categorized the Program as B for Environment, C for Involuntary Resettlement and C for Indigenous Peoples, which are equivalent to Category B of AIIB's ESP. The Program focuses on policy and institutional reforms that do not entail involuntary resettlement or impact the lives of indigenous peoples. The downstream investment activities of some policy actions may lead to some adverse impacts that are anticipated to be indirect, short term, and reversible, and can be successfully managed using good practice. An E&S impact assessment matrix has been developed. The ADB TA will incorporate the E&S safeguards provisions and inclusive consultation and build capacity of client to ensure compliance with the SPS's and country's legal framework.</p> <p>Gender Aspect. Promoting climate resiliency in the agriculture sector along with GHG mitigation measures would improve the lives, livelihoods, and food security of vulnerability community including women. The Program is classified as effective gender mainstreaming, and the policies adopted will enhance women's participation and support women's adaptive capacity. The progress of the gender-related policy actions will be monitored by the steering committee appointed by the Ministry of Finance.</p> <p>Governance and Anti-corruption. AIIB's Policy on Prohibited Practices applies to the Program. The Bank reserves the right to investigate, directly or indirectly through its agents, any alleged corrupt, fraudulent, collusive, coercive or obstructive practices, and misuse of resources and theft relating to the Program.</p> <p>Monitoring and Reporting Arrangement. The Finance Division of the MoF, as the executing agency of the Program, will report to AIIB and ADB the implementation progress of the Program based on agreed format with AIIB and ADB. AIIB and ADB will jointly and respectively as agreed conduct Program monitoring semi-annually.</p>
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Cost and Financing Plan	Total Program cost: USD800 million Indicative financing plan: Asian Infrastructure Investment Bank (AIIB): USD400 million (50 percent); Asian Development Bank (ADB): USD400 million (50 percent)		
Borrower	People's Republic of Bangladesh		
Implementing Agency	Finance Division of the Ministry of Finance		
Estimated date of loan closing (SBF)	Q3-Q4 2024		
Contact Points:	AIIB	ADB	Borrower/Implementation Organization
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Date of Concept Decision	03/13/2024		
Estimated Date of Appraisal Decision	2024 Q2		
Estimated Date of Financing Approval	2024 Q2-Q3 ¹		

Independent Accountability Mechanism	AIIB's Policy on the Project-affected People's Mechanism (PPM) addresses issues raised under AIIB's ESP, which does not apply to policy-based operations co-financed with another leading co-financier. Submissions to the PPM under the Program would, therefore, not be eligible for consideration by the PPM. Instead, ADB's Independent Accountability Mechanism (IAM) will apply to address issues raised by persons adversely affected by alleged noncompliance with ADB's operational policies and procedures, including SPS. Information on ADB's IAM is available at: https://www.adb.org/who-we-are/accountability-mechanism .
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¹ The approval of the Financing is subject to the approval of the Policy applicable to Climate Policy-based Programs by AIIB's Board of Directors.