

# Climate Bridge Fund



**One in every  
seven people**

**in Bangladesh will  
be displaced due to  
climate change by  
2050<sup>1</sup>.**

**Cities across the  
country will have to  
deal with uncontrolled  
population growth fuelled  
by climate-induced  
migration. People in  
rural areas, especially  
those living in poverty,  
will experience livelihood  
crises due to the adverse  
effects of climate change  
on natural resources and  
ecosystems.**

1.Comprehensive Disaster Management Programme (CDMP II), 2014. "Trend and Impact Analysis of Internal Displacement due to the Impacts of Disaster and Climate Change", Ministry of Disaster Management and Relief, Dhaka

The Climate Bridge Fund (CBF) is a trust fund established by BRAC in November 2019 with support from the Government of Germany through KfW development bank. **It is an innovative financing mechanism to support small-scale projects implemented by registered non-governmental organisations in Bangladesh, to increase the resilience of people who have been displaced or are at risk of being displaced due to the impacts of climate change.**

CBF has two separate windows to support different types of adaptation measures.

**The Climate Change Window (CCW)** supports projects for people in vulnerable climatic situations in five hotspots (Barishal, Khulna, Rajshahi, Satkhira, and Sirajganj).

**The Emergency Response Window (ERW)** supports people who have been displaced by the impacts of climate change and have been adversely affected by the COVID-19 pandemic.

## Rationale

The 8th Five Year Plan of the Government of Bangladesh states that the number of informal urban settlements and people living in them will increase due to internal migration <sup>2</sup>. This rapid inflow of migrants into these settlements will put pressure on infrastructure and services, impacting employment opportunities, housing, water supply and sanitation, health, education and drainage in all urban areas.

**The lives and livelihoods of people living in informal urban settlements will become even more vulnerable without access to these essential services and with exposure to various hazards - floods, waterlogging, heat waves, cold waves, droughts, cyclones and storm surges, salinity intrusion in ground and surface water, drainage congestion, and outbreaks of climate-sensitive diseases. CBF addresses these pressing problems by supporting climate resilience in urban areas.**

*2. Bangladesh Eighth Five Year Plan (FY 2020-FY 2025)-Promoting Prosperity and Fostering Inclusiveness*



## What we do

The aim is to establish a long-term facility to support adaptation in the context of climate-induced migration. The CBF is expected to enhance the sustainable livelihoods of climate migrants and their resilience to climate-related risks that may trigger further climate-induced migration.

The CBF will therefore finance the following:

1. Continuance and scale-up of successful pilot projects to guide these into financial sustainability
2. Innovative ideas for self-sustaining projects
3. Operation and maintenance of essential urban infrastructure that would otherwise remain idle

The CBF also aims to contribute to the implementation of some of the critical national climate change and development policy instruments including the Bangladesh Climate Change Strategy and Action Plan (BCCSAP), Roadmap and Action Plan for Implementing Bangladesh NDC (National Determined Contribution), Roadmap of National Adaptation Plan, and Eighth Five Year Plan (2020-2025) and Perspective Plan (2010-2021) that recognise the critical need to address climate resilience in urban areas through the improvement of services and infrastructures.



CBF governance:

# Key responsibilities

## Major Stakeholders

### BRAC

- › Development partner
- › Settlor of the fund
- › Employer of the trustees

### KfW

- › Development partner
- › Provide no objection
- › Progress review and fiduciary supervision

## Principal Organs

### Board of Trustees

- › All strategic decisions
- › Oversee fund management, investment and disbursement

### Advisory Committee of Climate Bridge Fund (ACCF)

- › Advises the trustees on strategic decisions
- › Selection of funded projects' award grants

### CBF secretariat

- › Overall coordination, administration, effective and efficient management of the fund and implementation

## Implementing Partners

- › Implement the funded project
- › Monitor and report to the fund secretariat on progress of the funded projects
- › Ensure that the grant is prudently managed and solely used for project purposes

# Why it works



## 1. Local ownership

The project concepts are prepared in close cooperation and consultation with local authorities, including city corporations and *Pourashavas* (municipalities). The project concepts must be in line with key policies and plans.



## 2. Bottom-up approach

The project ideas are developed in discussion with local communities based on their needs and problems.



## 3. Innovative practice

The fund promotes innovative ideas for effective adaptation in vulnerable locations.



## 4. Gender and socially inclusive

Gender inclusion will be a major criterion for selecting and supporting projects. The fund prioritises projects that are inclusive, addressing gender and the most vulnerable groups and communities.



## 5. Bridging short-term to a sustainable model

The CBF has been set up to 'bridge' the financial gap from short-term project funding to the sustainable provision of services and infrastructure for climate-induced migrants.



## 6. Generating knowledge and evidence

CBF supports research to identify knowledge gaps on climate change-induced migration and to develop strong evidence.

# Journey of CBF from 2019 to 2021

2019

In November, 2019, CBF was established under The Trust Act 1882 of the Government of Bangladesh

2020

- Under Climate Change Window (CCW), the first call for concept notes 2020 was announced in February
- Received 100 concept notes
- Finally awarded four projects
- Opened Emergency Response Window (ERW) to respond to COVID-19

2021

- Under ERW, a call for proposals was announced in January 2021
- In response to the 1st ERW Call, 52 proposals were received
- Finally, 14 projects were awarded under ERW call
- 2nd Call under CCW was announced in February and 67 concept notes were received
- Finally, four projects were awarded under CCW call





# CBF Funding in Projects

## First call under CCW in 2020

- › Total available funding: **BDT 92,983,120**
- › Funding to BRAC: **BDT 50,000,000**
- › Funding to NGOs: **BDT 42,983,120**

## First call under ERW in 2021

- › Total available funding: **BDT 1,012,200,015**
- › Funding to BRAC: **BDT 700,000,015**
- › Funding to NGOs: **BDT 312,200,000**

## Second call under CCW in 2021

- › Total available funding: **BDT 87,299,621**
- › Funding to BRAC: **BDT 40,000,000**
- › Funding to NGOs: **BDT 47,299,621**



## Climate Change Window (CCW) Portfolio

	Plan	Achievements until September 2022
Target participants	100,000	Direct participant/ beneficiary with single counting <sup>3</sup> : 41,892 Direct participant/ beneficiary with double counting <sup>4</sup> : 83,242
Focus areas	Khulna, Barishal, Rajshahi City Corporations, Satkhira and Sirajganj Municipalities	
Number of awarded projects	Eight (four in implementation and four in the process of starting)	

3. Single count includes beneficiaries who received a benefit/ service from the project measure at least one time.

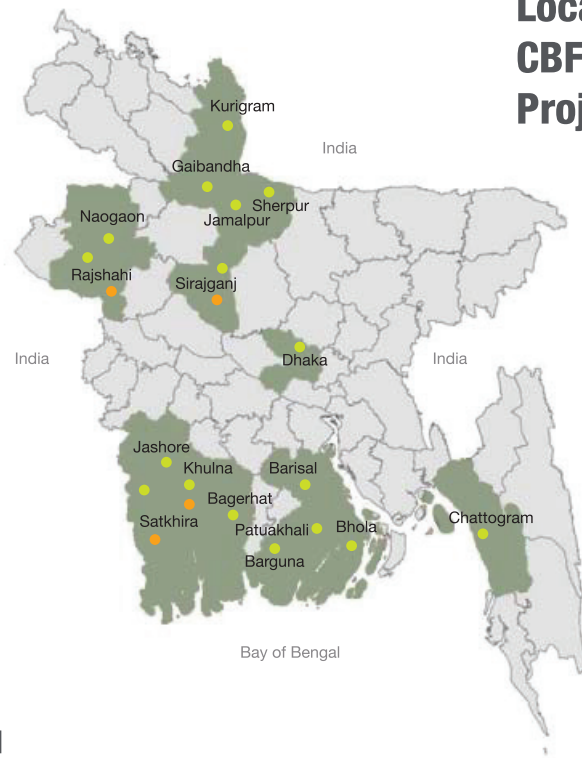
4. Double count includes beneficiaries who received benefits/ services multiple times from different measures within the same project.

## Emergency Response Window (ERW) Portfolio

	Plan	Achievements until September 2022
Target participants	250,000	12 Projects received approval from NGO Affairs Bureau to start implementing.
Focus areas	COVID-19 hotspots of the country	
Number of awarded projects	14	



## Locations of CBF Funded Projects



### Legend

- Eight projects in four districts under Climate Change Window (CCW)
- Fourteen projects in seventeen districts under Emergency Response Window (ERW)

- Districts covered by CBF funded projects
- Districts of Bangladesh

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