



ANNUAL REPORT 2019

INCLUSIVE BUDGETING AND FINANCING FOR CLIMATE RESILIENCE PROJECT

Finance Division, Ministry of Finance
Government of the People's Republic of Bangladesh
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Abdur Rouf Talukder

Secretary

Finance Division, Ministry of Finance

Message

I am much delighted to learn that the Inclusive Budgeting and Financing for Climate Resilience (IBFCR) project of the Finance Division funded by UNDP is going to bring out an Annual Report covering its activities during 2019.

The project began its operation in 2016 and since then it has been delivering its planned outputs which represent key milestones in its journey towards bringing about significant changes in the country's climate finance landscape. With support from this project, the relevant Ministries/Divisions under the strategic guidance of the Finance Division have successfully embedded climate dimension in their respective Ministry Budget Framework (MBF). Within the remit of its agenda, the project has developed climate public finance tracking methodology, helped produce climate budget reports for Parliament and supported the Office of the Comptroller and Auditor General (OCAG) to introduce climate performance audit in its existing audit protocol and updated the existing Climate Fiscal Framework (CFF). The knowledge products apart, the project as part of its agenda is building capacity of the relevant government officials working for the Finance Division, other Ministries/Divisions concerned with climate related activities and the officers of OCAG by providing both theoretical and hands-on training.

My sincere thanks go to the National Project Director under whose leadership the IBFCR team has delivered excellent outputs in 2019. I also put on record my sincere appreciation for the officials of different Ministries / Divisions including Finance Division and those of the OCAG who sincerely carried out their tasks in response to our request.

I would like to thank UNDP Bangladesh for lending all-out support to the Finance Division in implementing the agenda of strengthening the country's climate finance governance system as a trusted partner of the Government of Bangladesh.

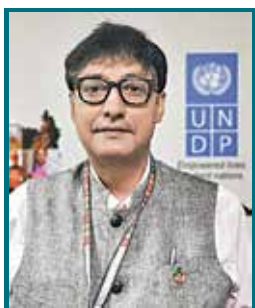

7.09.2020

(Abdur Rouf Talukder)



INCLUSIVE BUDGETING AND FINANCING
FOR CLIMATE RESILIENCE (IBFCR) PROJECT





Words from the Resident Representative UNDP

I am very pleased to see that IBFCR project has successfully completed another year of implementation, bolstering Bangladesh's efforts in progressively minimising the adverse effects of climate change, including more frequent and severe natural disasters that result in colossal infrastructure loss and livelihoods disruptions of millions of people. But at the same time, growing impacts of climate change are quite discernible and the gaps in financing climate action are widening. The corpus of international climate finance is far from adequate to serve Bangladesh's needs and bring in greater efficiencies in use of domestic resources is an imperative. It is in this context, that the IBFCR project is playing a strategic and transformative role in ushering structural changes in the country's climate finance governance.

This annual report brings to the fore the key achievements made by the project in its third year of implementation, and the results they have achieved. Included among them are climate inclusive budget frameworks of 25 Ministries/Divisions, updating of the climate fiscal framework, a climate inclusive macro-economic framework, review of existing fiscal policies to make them climate inclusive, a study to explore the entry points for inclusion of climate change in existing insurance policy and regulatory framework and exploring the options for introducing climate bonds. In addition, for the third year in a row a climate budget report has also been prepared and presented to parliament followed by the production of a citizen's climate budget report. These reports are raising the awareness of the citizens with data and information required to register their demands for more actions to reduce rising climate vulnerabilities.

At the point of time when the report is being published, the world is having to deal with the COVID pandemic - a multi-dimensional disaster of a scale unprecedented in human history. Across the globe development has been set back exposing many underlying fragilities that the world has failed to take timely, unified and responsible action. As countries struggle to contain the virus and recover lost ground, the need to build back better is no longer a cliché but an existential imperative and will need even greater attention to climate action. The unique opportunity provided by the upcoming Five-Year Plan must be seized to accelerate climate action across all sectors. UNDP as a steadfast and longstanding partner of the Government remains committed to continue and deepen its privileged relationship with the Finance Division in strengthening climate finance governance and building the nation's resilience against climatic shocks.

Sudipto Mukerjee
Resident Representative
UNDP Bangladesh



Preface

I feel immensely privileged to have the opportunity to present the Annual Report of the flagship project of Finance Division titled Inclusive Budgeting and Financing for Climate Resilience (IBFCR) featuring its activities during 2019.

The project supported by UNDP came into operation in 2016 with its agenda for improving climate finance governance in Bangladesh amidst a range of challenges. However, we recall with gratitude the unflinching support lent by our valued stakeholders which indeed built our confidence to meet those challenges. We are happy that the outputs that the project has delivered so far broadly came up to their expectations. The foremost output include Climate Budget Report for FY 2019-20, the climate inclusive Ministry Budget Framework (MBF) covering 25 relevant Ministries and Divisions, Citizens Climate Budget Report for FY 2019-20 (in Bangla and English), updated Climate Fiscal Framework and Climate Inclusive Macroeconomic Framework. In addition, the project as part of its agenda on building capacity provided training to around 300 government officials of different Ministries/Divisions and agencies on the procedures of tracking climate finance subsumed in their total budget allocation. In tandem, a group of mid-ranking officials of the Office of the Comptroller and Auditor General (OCAG) were also provided training on Climate Performance Audit.

During the year, the project organised several steering committee meetings and technical advisory group meetings, to take the key stakeholders on board about the project activities as well as to have both strategic and technical guidance. It also organised workshops and discussion meetings to share the project's knowledge products with varied groups of stakeholders representing government agencies, think tanks, NGOs, development partners, academia and gathered their insights and feedback.

I would like to take this opportunity to convey my deepest gratitude to the Secretary, Finance Division for his thoughtful guidance which helped me a lot in facing the challenges while discharging my duties. My colleagues in the Finance Division on many counts extended generous support whenever we sought, and I convey to them my heart-felt thanks. I would like to place on record my sincere words of appreciation for the IBFCR project team for their best endeavours to deliver the planned project outputs without compromising quality.

Ramendra Nath Biswas

Additional Secretary
Finance Division, Ministry of Finance
and National Project Director, IBFCR project



Executive Summary

The Inclusive Budgeting and Financing for Climate Resilience (IBFCR) project continues its efforts to mainstream climate finance in the country's public finance management system.

This year, four key results have been achieved that include - Ministry Budget Framework (MBF) of 25 line Ministries/Divisions have been made climate inclusive, Climate Budget Report for FY 2019-20 published with data and analytics of climate change relevant allocations of the relevant Ministries/Divisions of the government, wider accountability on climate allocations ensured, climate performance audit mainstreamed in OCAG's audit protocol, and climate dimension embedded into public financial management systems and processes for improved climate finance governance.

Component 1 of IBFCR project focuses on the Climate Fiscal Framework (CFF) implementation and management. Under this component, the updated CFF has been validated and its publication is underway, Climate inclusive Medium Term Macro-Economic Framework has been validated, two studies on climate inclusive insurance policy and introducing climate bonds in the context of Bangladesh have been carried out.

Under Component 2 which is about climate sensitive planning and budgeting management, Climate Public Finance Tracking in Bangladesh: Approach and Methodology have been disseminated among the wider audience. Furthermore, following on last year's work with 20 climate relevant Ministries and Division, the Ministry Budget Frameworks (MBFs) of 25 Ministries and Divisions having climate relevance have been turned climate inclusive this year.

Under Component 3, the third annual climate budget report has been prepared and published this year. As a follow up report of climate budget report, Bangladesh's Citizens Climate Budget Report with infographics has also been published to broaden the understanding of the wider audience on how the government respond to the risks and challenges arising from the adversities of climate change by allocating resources through the national budget. Climate performance audit training has been delivered to mid-level cadre officers of OCAG to build a base of master trainers to take forward the agenda of this new audit protocol. A piloting of social audit has been carried out on a limited scale in two Union Parishads (UPs) using the guidelines prepared for this purpose.

Under Component 4 which focuses on strengthening the Finance Division's coordination roles in climate finance management, Assistant Project Director (APD) of IBFCR project actively took part in the international climate conference COP 25 held in Madrid in December 2019 .

Finally, under Component 5 which is about more effective planning and budgeting at the local level, an initial draft on local CFF has been prepared based on the practical field situation.



In line with Sustainable Development Goals (SDGs), the IBFCR project has given more emphasis on building partnership and innovations this year. A partnership has been built with Local Government Initiatives on Climate Change (LoGIC) project to scale up the IBFCR piloting results on local CFF across the local government institutions.

The project faced several challenges in implementing its interventions, some of which have been effectively tackled, while a few issues are still to be resolved. The challenges were: updating CFF with broader remit by inclusion of Green Banking Policy, Insurance Policy, Lending Policy, and Bond Policy, readiness assessment of Finance Division in terms of embedding climate dimension in macro-economic framework using a separate/independent macro-economic model was inadequate, reorienting the auditors of OCAG on climate performance audit in the absence of any explicit guidance in existing auditing standards, audit codes, and manuals; exploring potential options for inclusion of climate dimension in insurance policy and introduction of climate bond appeared to be challenging as novel initiatives in the context of Bangladesh, and finally, piloting of social audit carried out on a limited scale in two UPs. Introduction of social audit protocol in government audit will require robust evidence of success in piloting exercise.



Project at a Glance

Project Start Date	July 2016
End Date	September 2020
Estimated Total Project Cost	TK 17.27 crore (USD 2.2 million)
GoB Contribution	TK 1.25 crore (USD 1,48,810)
Implementing Entity	Finance Division, Ministry of Finance, Government of Bangladesh
Development Partner	United Nations Development Programme (UNDP)

SDGs Addressed



Abbreviations and Acronyms

ADP	Annual Development Programme
APD	Assistant Project Director
BACS	Budget and Accounting Classification System
CFF	Climate Fiscal Framework
CIBP	Climate Inclusive Bond Policy
CIIP	Climate Inclusive Insurance Policy
COP	Conference of the Parties
CPD	Country Programme Document
CSO	Civil Society Organisation
FD	Finance Division
FIMA	Financial Management Academy
GoB	Government of Bangladesh
iBAS++	Integrated Budget and Accounting System
IBFCR	Inclusive Budgeting and Financing for Climate Resilience
LoGIC	Local Government Initiatives on Climate Change
LCFF	Local Climate Financing Framework
MBF	Ministry Budget Framework
MoF	Ministry of Finance
MTBF	Medium-Term Budget Framework
MTMPS	Medium Term Macroeconomic Policy Statement
M&E	Monitoring and Evaluation
NGO	Non-Government Organisation
NPD	National Project Director
OCAG	Office of the Comptroller and Auditor General
SDGs	Sustainable Development Goals
SP	Strategic Plan
ToT	Training of Trainers
UNDAF	United Nations Development Assistance Framework
UNFCCC	United Nations Framework Convention on Climate Change
UP	Union Parishad



1 INTRODUCTION



Inception workshop of IBFCR project

The Inclusive Budgeting and Financing for Climate Resilience (IBFCR)-a flagship project of Finance Division being implemented with support from UNDP started its journey in 2016. It aims to rationalise the Public Financial Management (PFM) of climate finance and introduce a climate policy-based focus to planning, budgeting and performance management of climate finance by implementing the Climate Fiscal Framework (CFF) adopted by the Government of Bangladesh in 2014.



Inception workshop of IBFCR project

2

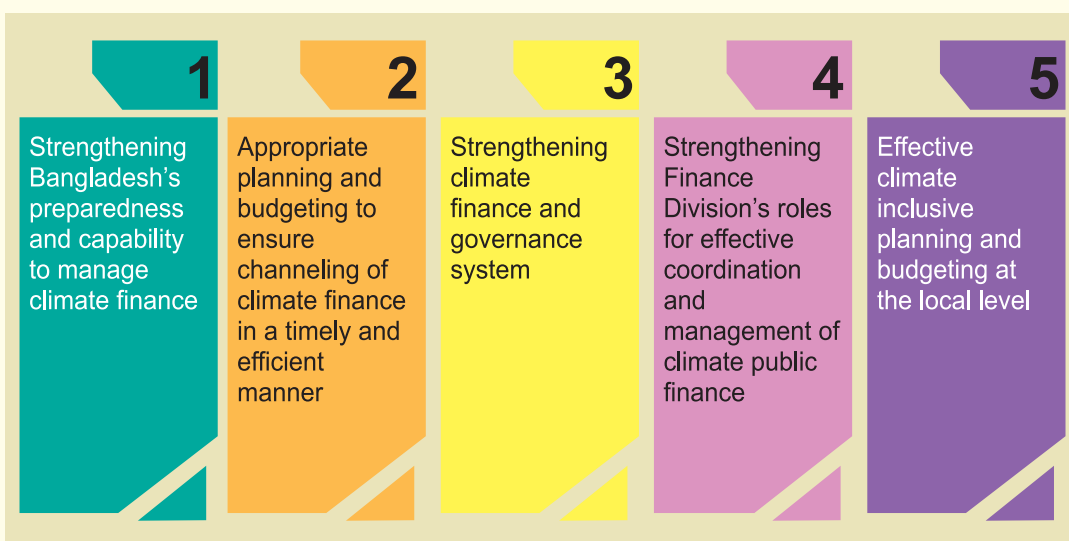
PROJECT OBJECTIVES AND PURPOSES

To enhance the recognition of climate policy and national strategy in the key FD-led budget process including MTBF and performance management systems.

To foster a sustainable basis for identifying, maximising and managing sources and application of funds for financing climate resilient actions.

Areas of work:

IBFCR project is built around the following components



3

SUMMARY OF IBFCR PROJECT KEY RESULTS 2019

Over the last three years, the IBFCR project achieved a set of significant milestones which have all been embedded in the major policy instruments of GoB. The following narrative provides a snapshot of what the project has achieved in 2019.

1

Ministry Budget Framework of 25 Ministries/Divisions turned climate inclusive and presented to the Parliament which brought to the forefront the government's resource commitment to address climate vulnerabilities.

2

Climate Budget Report for FY 2019-20 published with data and analytics of climate change relevant allocations and expenditures of 25 Ministries/ Divisions and presented to the Parliament that helped enhance accountability and transparency.

3

Citizens Climate Budget Report for FY 2019-20 was prepared which created public awareness and widened the scope for raising citizen's voice.

4

Climate agenda mainstreamed in the country's statutory oversight system by building capacity of OCAG auditors to plan and execute climate performance audit.

5

Climate dimension embedded into various stages of public financial management systems and processes which improved climate finance governance.



4

KEY COMPONENTS AND ACHIEVEMENTS

IBFCR project is based on the following five interlinked components:

Component 1

Climate Fiscal Framework Implementation and Management

Component 2

Climate Change Sensitive Planning and Budgeting Management

Component 3

Strengthening Climate Public Finance Governance

Component 4

Strengthening Finance Division's Coordination Roles in Climate Public Finance Management

Component 5

More Effective Planning and Budgeting for Climate Finance at the Local Level



Component 1: Climate Fiscal Framework Implementation and Management

1.1 Updated Climate Fiscal Framework has been validated and its publication is underway

Meanwhile, the project has completed a review of the current CFF and organised a validation workshop on updated CFF. After rigorous improvement of the CFF, it is now in the process of publication. Since its adoption, the CFF has been providing necessary guidelines for tracking climate related expenditures and elaborating the role of GoB towards managing climate finances in order to attain sustainability. While updating the CFF, attention has been paid to the gaps that emerged such as limited attention to fiscal policy, private sector issues and transition from whole of government to whole of society approach. However, with the change in the global climate finance landscape and that of Bangladesh as well, it has become essential to update the CFF.

“Inclusive approach involving whole of the society is necessary for financing and ensuring transparency and accountability in using the funds.”

Mr. Mohammad Muslim Chowdhury, Comptroller and Auditor General of Bangladesh



Validation Workshop on Climate Fiscal Framework (CFF)

1.2 Climate inclusive Medium Term Macroeconomic Framework has been validated

To understand the true economic cost of climatic impacts, which in turn will help design the right initiatives for attaining green growth, the project prepared Climate Inclusive Medium Term Macroeconomic Framework and validated in presence of the representatives of high-level policy making body, line Ministries, civil society, and journalists.

Given the adverse effects of climate change, it is important to understand the extent of resultant loss and damage on the economy. Generally macroeconomic model tends to understate the actual loss of income due to the impacts of climate change. So, an attempt to calibrate the existing macroeconomic model by embedding climate dimension is essential. It is expected that the model will help avoid supply disruptions due to climate events and help understand the true economic cost of climatic impacts, which will help design the right initiatives for attaining green growth. Moreover, it is essential to build capacity of bureaucrats, development practitioners and planners to be able to utilise the climate macroeconomic model.



1.3 Climate inclusive insurance policy and climate bond

The IBFCR project took an initiative to explore the scope of introducing climate inclusive insurance policy by reviewing the existing laws and policies and climate bond to mobilise finances for climate-related investments.



Stakeholders workshop on Climate Inclusive Insurance Policy (CIIP)



Stakeholders workshop on Climate Inclusive Bond Policy (CIBP)

Meanwhile, two studies have been completed to provide constructive feedback to Finance Division

Study 1:

Climate Inclusive Insurance Policy

The objective of the study was to review the existing insurance laws, policies, rules and regulations, market and insurance products to identify potential areas of climate inclusion and to find out the entry points and suggest policy prescriptions for introducing climate dimension in the existing insurance regulatory regime in Bangladesh.

Study 2:

Introducing Climate Bonds in the context of Bangladesh

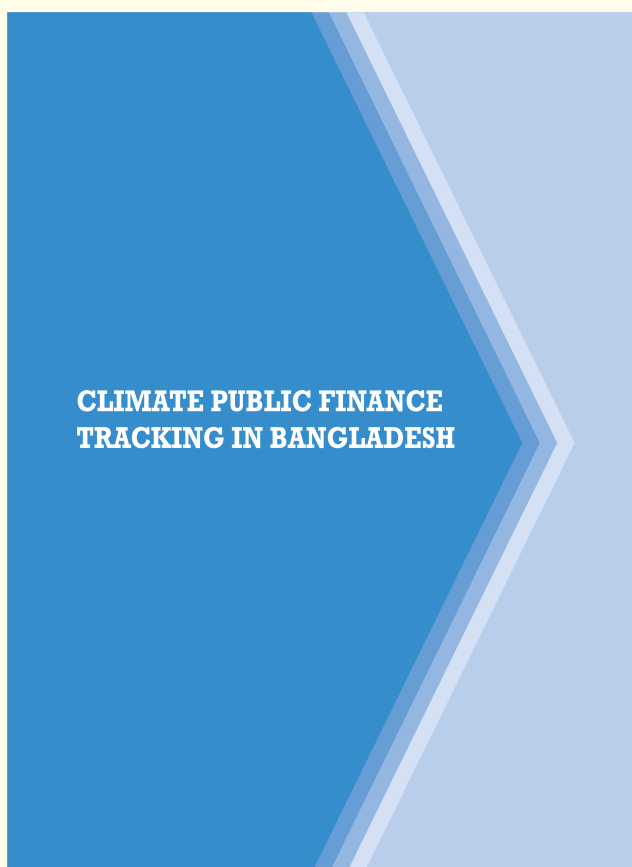
The objective of the study was to find out options for introducing climate bonds in the context of Bangladesh for financing climate investment programmes of the government.



Component 2: Climate Change Sensitive Planning and Budgeting

2.1 Climate Public Finance Tracking Methodology

The document was developed and finalised towards the end of December 2018. However, its use and dissemination began in 2019.

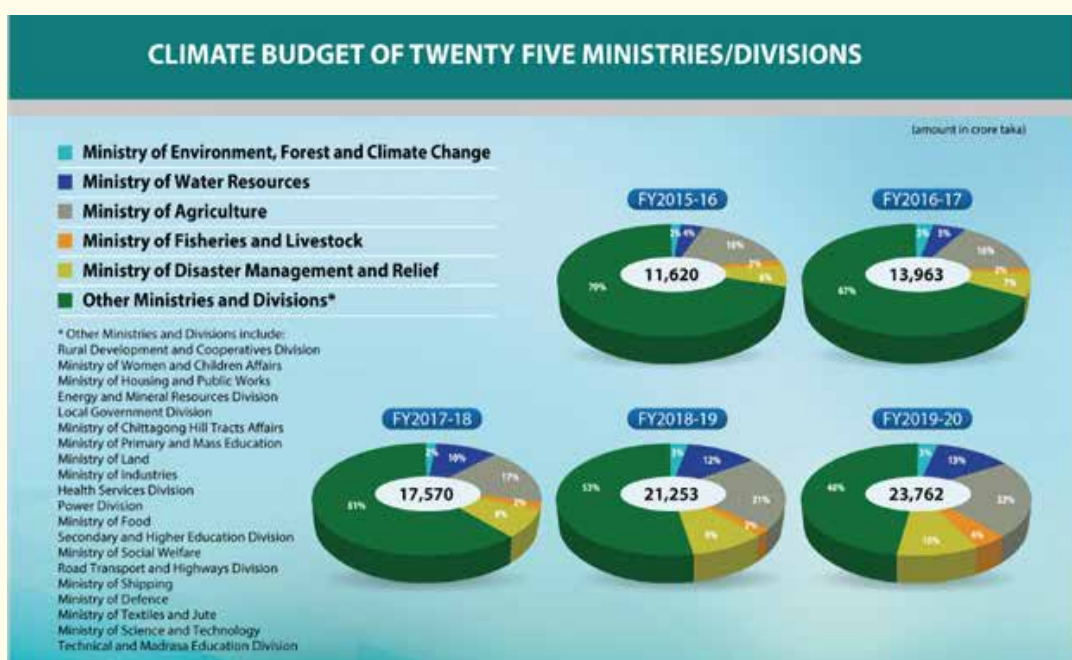


Climate public finance tracking methodology is published to report on climate finance flows aligned with national climate strategies and plans, improve the governance of climate finance, facilitate the assessment of results from climate investments and support better project design. This is one of the sets of climate related financial planning and management tools designed to understand a country's resource commitment to address the adverse effects of climate change. It is becoming increasingly important to track and report financial flows that support climate change mitigation and adaptation, to build trust and accountability with regard to climate finance commitments and monitor trends and progress in climate-related investment. However, the current arrangements in place demand more transparency, comparability and comprehensiveness which are very important for the government.



2.2 Ministry Budget Framework of 25 Ministries/Divisions turned climate inclusive

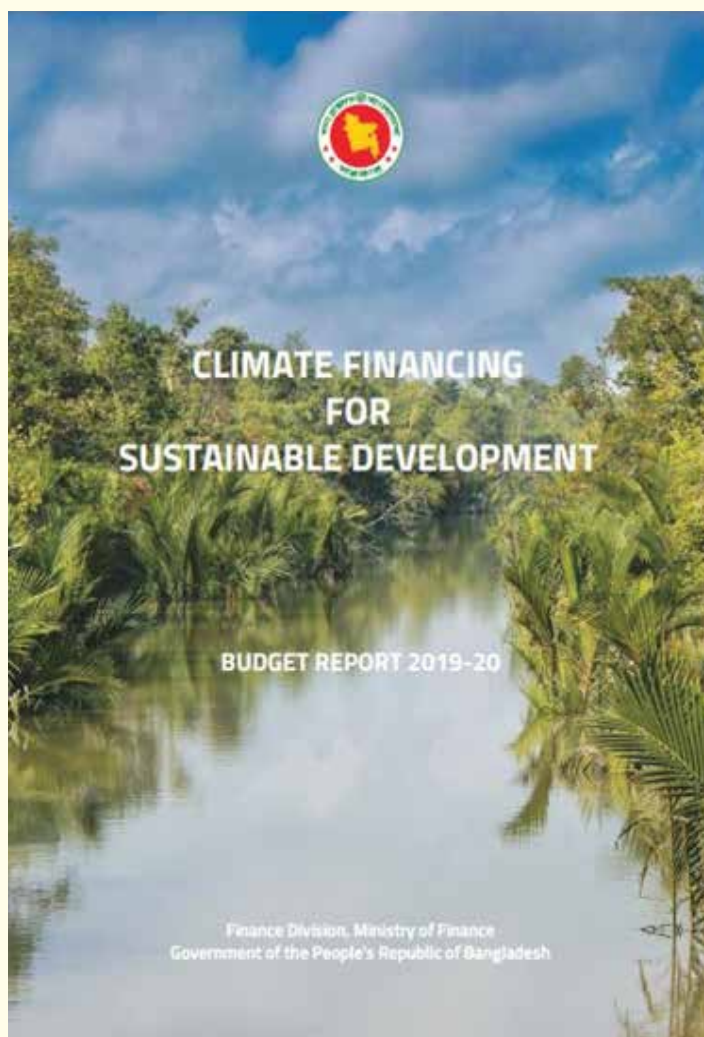
One of key activities of the IBFCR project is to ensure a recognition of climate sensitive activity within the performance accountability architecture and the Medium-Term Budget Framework (MTBF). This year, 25 Ministries/Divisions having climate actions have made their Ministry Budget Frameworks (MBFs) climate inclusive and submitted to the Finance Division showing the proportion of total allocation and expenditure of the relevant Ministries / Divisions to address the adverse effects of climate change.



Component 3: Strengthening Climate Public Finance Governance

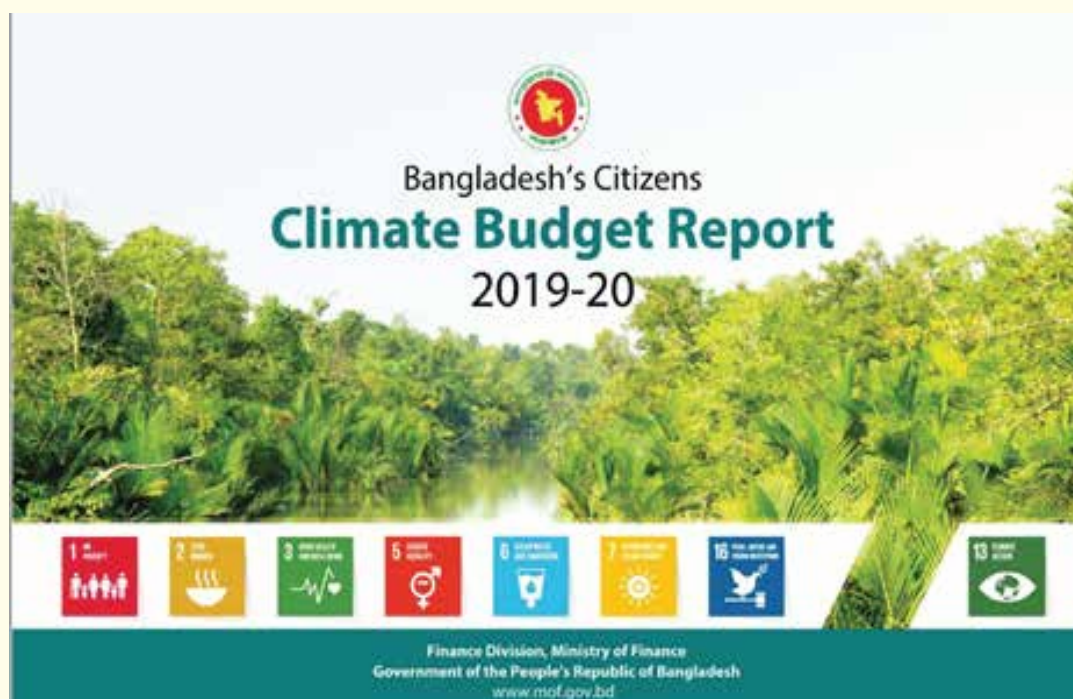
3.1 Climate Budget Report

The third annual climate budget report of Bangladesh titled 'Climate Financing for Sustainable Development: Budget Report, 2019-20' in English and Bangla was published by Finance Division with support from UNDP following the success of the climate budget reports in the last two years.



3.2 Bangladesh's Citizens Climate Budget Report 2019-20

Bangladesh's Citizens Climate Budget Report 2019-20 is a follow-on publication of the climate budget report published this year by the Finance Division with support from IBFCR project. All data and information used in the report in relation to budget allocation and expenditure largely have been drawn from the climate budget report.



The report is meant for broadening the understanding of the wider audience as to how the government respond to the risks and challenges arising from the adversities of climate change by allocating resources through the national budget. Infographics have been used to make it more reader-friendly and enhance transparency of the government's commitment towards building resilience against climate vulnerabilities.



3.3 Training of Trainers (ToT) course on Climate Performance Audit Planning

Using the training manual, a group of 21 mid-level cadre officers of OCAG have been trained by IBFCR project from August 19-22, 2019 on Climate Performance Audit Planning at Financial Management Academy (FIMA), the training outfit of OCAG. The programme aimed to build a base of master trainers who can take forward the training initiatives on Climate Performance Audit in future.

The training course was conducted by experienced instructors using lectures, group discussions, exercises, case studies, quiz etc along with practical examples of climate change issues.



Training Session on Climate Performance Audit Planning

3.4 Climate Inclusive Social Audit and Innovation



Community people are interviewed by the social audit team

Social audit can be used as an important tool to provide critical policy inputs and to assess the impact of public policy on the well-being of the citizens. This audit is conducted by the local stakeholders who evaluate the entity operations from the right holder's point of view. To establish enhanced transparency and accountability, IBFCR project has completed the following tasks in relation to Social Audit:

1

A guideline for conducting social audit in Local Government Institutions (Union Parishads) has been prepared to conduct social audit at local levels. However, introduction of social audit protocol in government audit will require robust evidence of success in piloting exercise.

2

A piloting of social audit has been carried out on a limited scale in two Union Parishads (UPs) namely at Deluti Union and Thana Hat Union, the lowest tier of Local Government, as an innovative tool to ensure citizen's participation in climate finance governance for enhanced transparency and accountability. The community people were trained on the tools and techniques of social audit who carried out audit exercise on UP programmes from the rights holder's point of view.



Component 4: Strengthening Finance Division's Coordination Roles in Climate Public Finance Management

IBFCR Assistant Project Director (APD) and Deputy Secretary of Finance Division, participated in the 25th Conference of the Parties (COP25) of the United Nations Framework Convention on Climate Change (UNFCCC) in Madrid, Spain during 2nd -15th December 2019 as a member of Bangladesh delegation.



She shared the IBFCR knowledge products with Bangladesh pavilion and One UN pavilion for display and dissemination. She also attended some significant side-events organised by different governments, civil society members, NGOs, journalists on climate related impact issues.

Component 5: More Effective Planning and Budgeting for Climate Finance at the Local Level

5.1 An initial draft on local CFF prepared

The project team undertook field visits to understand the nuances of planning and budgeting of Union Parishad as well as to identify the entry points for embedding climate dimension in the whole process. They have produced an initial draft of Local Climate Financing Framework (LCFF) by incorporating the insights gathered from the field.



Discussion with UP Chairman, Secretary and Members of Deluti UP, Paikgachha, Khulna for collecting information on LCFF



Discussion with UP Chairman, Secretary and Members of Monirampur UP, Jashore for collecting information on LCFF



Discussion with UP Members of 8 different UPs at Monirampur UP, Jashore for collecting information on LCFF



5

PARTNERING FOR SCALING UP IBFCR ACTIVITIES

5.1

The IBFCR project developed gender tagging tools for climate finance to disaggregate the share of gender allocation in partnership with Strengthening Governance of Climate Change Finance to Enhance Gender Equality project.

5.2

Another partnership has been built with Local Government Initiatives on Climate Change (LoGIC) project to scale up the IBFCR piloting results on local CFF across the local government institutions, in particular, the Union Parishads (UPs).



6

LINKAGE WITH SDGS- LEAVING NO ONE BEHIND

The main focus of IBFCR project is to streamline climate finance governance through interventions in economic policy and planning, budget formulation, budget execution, audit and evaluation and parliamentary oversight in alignment with the overarching national policies, plans and strategies of which SDG is critically important.



The project is, therefore essentially geared towards the agenda of leaving no one behind and will address the issue of ensuring climate adaptive livelihood of the communities most affected by the adverse effects of climate change, in particular, women, ethnic minorities, people with disabilities and so on.

This year the project continued to contribute to the transformation of the public finance policies and strategies by embedding climate dimension in budget setting process of more Ministries/Divisions. This result contributed to the United Nations Development Assistance Framework (UNDAF) Outcome 2, SP Outcome 2 and SDG Goal 13, especially Target 13.2 which integrates climate change measures into national policies, strategies and planning.



- The Government of Bangladesh (GoB) has been implementing successive phases of reforms in public finance over the past two decades, the foremost of which is budget reforms through the introduction of Medium-Term Budget Framework (MTBF) replacing the traditional input-focused budgeting. MTBF, being at the heart of reform agenda, has been influencing the resource allocation decisions by linking policies and priorities of the government together with its performance. The budget setting process under MTBF has triggered a couple of other exercises like gender and child-focused budgeting to meet the demand from various stakeholders both within and outside the government. As budget is an important entry point for IBFCR project, the reforms already effected hold out a good opportunity to embed climate dimension in the budget framework.
- Within the remit of the ongoing reform agenda, GoB has also developed over time a robust financial management information system (iBAS++) to harness the potential of information technology in driving forward the agenda for establishing a transparent Budget and Accounting Classification System (BACS) to meet the growing expectations of the citizens. This is another opportunity that the project can seize in taking forward the tracking methodology already developed.
- In tandem, there have been sustained efforts to bring about improvements in the oversight functions too. The audit methodology of OCAG though mainly geared to compliance audit is now shifting towards performance audit to meet the demands from the legislature through Public Accounts Committee. As the OCAG has already developed and adopted auditing standards, guidelines and manuals in line with international best practices to carry out audits like environmental audit, IT audit and forensic audit; it would be easier to sustain the climate performance audit practice already introduced.
- Increasing awareness of NGOs, CSOs and think tank organisations about the international and domestic financial flows and the dynamics of changes that are taking place in the policy regime of the government is opening up new opportunities.



Challenges Ahead

Since inception there have been several challenges in implementing IBFCR project interventions, some of which have been effectively tackled, while a few issues are still to be resolved. The lessons learned during implementation will be helpful for the successful completion of the IBFCR project as well as any other future programme/projects.

- Updating Climate Fiscal Framework 2014 took longer than expected since its remit was extended by inclusion of Green Banking Policy, Insurance Policy, Lending Policy, and Bond Policy.
- Readiness assessment of Finance Division in terms of embedding climate dimension in macroeconomic framework using a separate/independent macroeconomic model was inadequate.
- Reorienting the auditors of OCAG on climate performance audit in the absence of any explicit guidance in existing auditing standards, audit codes, and manuals was challenging.
- Exploring potential options for inclusion of climate dimension in insurance policy and introduction of climate bond appeared to be challenging as novel initiatives in the context of Bangladesh.
- Piloting of social audit carried out on a limited scale in two UPs. Introduction of social audit protocol in government audit will require robust evidence of success in piloting exercise.



WAY FORWARD

- Climate finance module to be embedded in the course curriculum of public finance being delivered by training institutes (e.g., Institute of Public Finance, Financial Management Academy).
- Potential for institutionalisation of climate agenda through the inclusion of climate change need to be harnessed.
- The agenda of embedding climate dimension in different government policies, orders, and guidelines (e.g., DPP/TAPP Format, Rules of Procedure of Parliament) should be taken forward.
- Strong coordination between different government Ministries/Divisions and agencies in adopting climate change related policies/plans/strategies need to be forged.
- Funds should be mobilised from prospective development partners by working out a good business case highlighting the achievements made by the project so far and the major milestones it plans to achieve.
- Close liaison with the relevant agencies to share the innovative agenda of the project should be maintained.



11

FINANCIAL REPORT

Activity	Approved Budget (USD)	Expenses + Full Asset Cost (USD)	Budget Utilisation (%)
Atlas Activity # 1: Climate Fiscal Framework Implementation and Management	1,30,122.57	1,59,957.93	122.92
Atlas Activity # 2: Strategic Climate Change Sensitive Planning and Budgeting Management	67,152.83	66,502.55	99.03
Atlas Activity # 3: Climate Public Finance Governance is Strengthened	65,137.36	57,471.50	88.23
Atlas Activity # 4: Strengthening Finance Division Coordination and Climate Public Finance Managing Roles	9,466.00	7,669.26	81.01
Atlas Activity # 5: More Effective Planning and Budgeting for Climate Change Finance at the Local Level	5,000.00	0.00	0
Atlas Activity # 6: Technical Assistance and Management Cost (Project Support Costs)	1,73,122.23	1,85,788.31	107.31
Total	4,50,000.99	4,77,389.55	106



IBFCR project intensified its efforts to deepen the culture of results-based planning, monitoring, evaluation and reporting during the year through its Monitoring and Evaluation (M&E) plan to monitor and evaluate the project activities. The project's M&E plan is aligned with the relevant output/outcome targets set out in the Country Programme Document (CPD), United Nations Development Assistance Framework (UNDAF), Strategic Plan, and SDG goals and targets. To achieving the high-level output, outcome and targets, the plan is further aligned with the targets set forth in the project's activity plan with a focus on embedding climate dimension in Climate Fiscal Framework (CFF), Medium Term Macroeconomic Policy Statement (MTMPS), National Budget Strategy, Medium Term Budget Framework (MTBF). Implementation of project activities outlined in the Annual Work Plan were reviewed regularly in the monthly staff meetings using the indicators set out in the M&E plan.





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