



## **Final Evaluation of Inclusive Budgeting and Financing for Climate Resilience (IBFCR) Project**



Langnan Chen & Aftab Ahmad

**PROJECT DATA:**

<b>Project/outcome Information</b>		
<b>Project/outcome title</b>	Final Evaluation of Inclusive Budgeting and Financing for Climate Resilience (IBFCR) Project	
<b>Atlas ID</b>	78091	
<b>Corporate outcome and output</b>	The project has five components/outcomes: 1. Climate Fiscal Framework implementation and management 2. Strategic climate change sensitive planning and budgeting management 3. Climate public finance governance strengthened 4. Strengthening Finance Division's coordination roles in climate public finance management 5. More effective planning and budgeting for climate change finance at the local level	
<b>Country</b>	Bangladesh	
<b>Region</b>	Asia	
<b>Date project document signed</b>		
<b>Project dates</b>	<b>Start</b>	<b>Planned end</b>
	Jun-15	Dec-19
<b>Total committed budget</b>	2.20 million (TK 20.00 Crore)	
<b>Project expenditure at the time of evaluation</b>	1.94 million (TK 21.25 crore)	
<b>Funding source</b>	UNDP Country Office in partnership with GIZ, SIDA and DFID	
<b>Implementing party</b>	Finance Division, Ministry of Finance, Government of Bangladesh	

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## **ACKNOWLEDGEMENTS**

The Final Evaluation (FE) team gratefully acknowledges the support of people, without whom the evaluation would not have been possible. The team would like to express sincere gratitude to Mr. Ranjit Kumar Chakraborty, Project Manager and Mr. Mamunur Rashid, UNDP CO, for their invaluable guidance. The team would also like to thank M&E officers in UNDP CO for their comments and suggestions on the evaluation report.

Special thanks are due to Ms. Nila Loreta Blake, Mr. Rezwana Hoque Chaity, and Mr. Farhana Gaffar, UNDP CO, for their outstanding support during the evaluation process, sharing all the necessary documents, organizing meetings with partners and stakeholders, and answering multiple evaluator's questions.

Sincere appreciation goes to the current and former UNDP Project managers and staff who found time in their schedules to share their views about the contribution of the project to public climate finance.

The FE team greatly benefitted from advice of UNDP partners and stakeholders who provided valuable insights into the past, current and potential UNDP interventions.

The team hopes that this FE evaluation and its recommendations will further strengthen the UNDP contribution to Climate Public Finance.

## LIST OF ACRONYMS

<b>ADB</b>	Asian Development Bank
<b>ADP</b>	Annual Development Programme
<b>BB</b>	Bangladesh Bank
<b>BCCRF</b>	Bangladesh Climate Change Resilience Fund
<b>BCCSAP</b>	Bangladesh Climate Change Strategy and Action Plan
<b>BCCTF</b>	Bangladesh Climate Change Trust Fund
<b>BMC</b>	Budget Management Committee
<b>CFF</b>	Climate Fiscal Framework
<b>CGA</b>	Controller General of Accounts
<b>CPEIR</b>	Climate Public Expenditure and Institutional Review
<b>ERD</b>	Economic Relations Division
<b>FD</b>	Finance Division
<b>FYP</b>	Five Year Plan
<b>GCF</b>	Green Climate Fund
<b>GDP</b>	Gross Domestic Products
<b>GED</b>	General Economics Division
<b>GoB</b>	Government of Bangladesh
<b>IBAS</b>	Integrated Budget and Accounting System
<b>IBFCR</b>	Inclusive Budgeting and Financing for Climate Resilience
<b>IMED</b>	Implementation Monitoring and Evaluation Division
<b>IRD</b>	Internal Resources Division
<b>KPI</b>	Key Performance Indicators
<b>LGD</b>	Local Government Division
<b>LGIs</b>	Local Government Institutions
<b>MBF</b>	Ministry Budget Framework
<b>MoDMR</b>	Ministry of Disaster Management and Relief
<b>MoEF</b>	Ministry of Environment and Forests
<b>MoF</b>	Ministry of Finance
<b>MoLGRDC</b>	Ministry of Local Government, Rural Development and Cooperatives
<b>MTBF</b>	Medium Term Budget Framework
<b>MTBS</b>	Medium Term Budget Strategy
<b>MTSBP</b>	Medium Term Strategy and Business Plan
<b>NAP</b>	National Adaptation Plan
<b>NDC</b>	Nationally Determined Contributions
<b>NP</b>	National Plan
<b>NPD</b>	National Project Director
<b>OCAG</b>	Office of Comptroller and Auditor General
<b>PD</b>	Project Document
<b>PFM</b>	Public Finance Management
<b>PSC</b>	Project Steering Committee
<b>SDGs</b>	Sustainable Development Goals
<b>SIDA</b>	Swiss International Development Agency
<b>SP</b>	Strategic Plan
<b>SPEMP</b>	Strengthening Public Expenditure Management Programme
<b>TAG</b>	Technical Advisory Group
<b>UNDAF</b>	United Nations Development Assistance Framework
<b>UNDP</b>	United Nations Development Programme

## EXECUTIVE SUMMARY

In response to the challenges to mainstream climate resilience faced by the GoB and in support of Finance Division, under joint financial resources from the UNDP, GIZ, SIDA and DFID, the Inclusive Budgeting and Financing for Climate Resilience (IBFCR) Project (the Project) was developed and approved by UNDP in June 2015. The overall objectives of the Project were to rationalize 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 GoB's Climate Fiscal Framework. Based on the UNDP project monitoring and evaluation (M&E) policies and procedures, the Project is required to undergo a Final Evaluation (FE) at the end of project implementation.

The FE team followed the objectives and scope of FE as indicated in the Terms of Reference (see Annex 1). The overall objective of the assignment was to conduct the final evaluation of "Inclusive Budgeting and Financing for Climate Resilience (IBFCR) Project".

The FE team adopted the following approaches: theory-based approach, documentation review, stakeholder analysis, key informant interviews and triangulation.

The travel restrictions posed by the COVID-19 pandemic limited the capacity of the FE team to conduct in-person interviews and interact with different stakeholder groups and beneficiaries. To mitigate these challenges, the evaluation team broadened the range of documents consulted, extended the range of stakeholders and key informants, and conducted extensive context analysis, as well as in-person meetings where necessary.

The key findings and evaluation results against criteria with justifications are summarized below.

Project Element	Rating	Justifications
<b>Project Design</b>	<b>Highly Unsatisfactory</b>	The goals/objectives, outcomes, outputs, activities; indicators and targets in the RRF were not well designed. The types of risk were not well identified, and gender issues were not addressed in the project design. The stakeholders were not identified and consulted in project design. The updated M&E plan was not consistent with original RRF.
<b>Project Implementation</b>	<b>Moderately Satisfactory</b>	The NIM and PSC, Project Board and project implementation team worked well. The Project stakeholders exhibited a strong capacity for adaptive management in response to changing circumstances. However, most staff in the project implementation team were government officials. The project outputs were not delivered in accordance with AWP in some cases. In addition, there was an unacceptable 24-month delay to the end of the project, the planned end date was May 2019.
<b>Relevance</b>	<b>Highly Relevant</b>	The Project was relevant to (or consistent with) national development goals, intended outcome/output in the strategic plan, UNDAF, and UN SDGs.
<b>Effectiveness</b>	<b>Moderately Satisfactory</b>	The Project was able to achieve what it had intended to achieve for Outcome 1 and 3, but not for Outcome 2, 4 and 5, and thus was effective only for some outcomes as % of target completion ranged from 0% to 100%, depending on the outputs.
<b>Efficiency</b>	<b>Moderately Unsatisfactory</b>	The Project was not efficient. There was a delay in the timely delivery of project outputs in some cases as reported in the project documents and consultations. The Project had been delayed by around 2 years.
<b>Impact</b>	<b>Significantly</b>	The Project contributed to the achievements of intended results and had significant impacts on the rationalization of the Public Financial Management (PFM) of climate finance and introduction of a climate policy-based focus to planning, budgeting, and performance management of climate finance by implementing the GoB's Climate Fiscal Framework. Bangladesh is now better equipped to deal with its climate public finance policy and capacity because of the Project.

<b>Sustainability</b>	<b>Likely</b>	The Project contributed significantly to Bangladesh's long-term sustainable climate finance policy and capacity development. As suggested in the monthly progress reports and annual reports, the Project produced a wide range of high-quality knowledge outputs across most outcomes. These outputs, particularly the updated Climate Fiscal Framework (CFF), formulated and implemented by the Project will guide the national climate finance development agenda beyond the Project period.
<b>Overall Rating</b>	<b>Moderately Satisfactory</b>	

The analysis of the findings above lead to the following major conclusions:

1. The project goals/objectives were not well designed although they were fully consistent with the national development goals and strategic plan, UNDAF for Bangladesh, UN SDGs and other donors' objectives. (Project Design)
2. The Project addressed some of the critical policy and capacity gaps associated with public financial management and planning, budgeting and performance management of climate finance and priorities that were initially identified for Bangladesh. (Project Design)
3. The original M&E plan was not well equipped with a clear logical chain from outputs to indicators and to targets; that would be sufficient or adequate to measure the progress or verify the achievements for some outputs/outcomes. More importantly, the updated M&E plan in the Inception Report was not consistent with the RRF. (Project Design)
4. UNDP and Finance Division were adaptive to the environmental and internal changes during the implementation of the Project. UNDP's long-term physical presence and partnership with the GoB, strong technical capacity and accountability for results were recognized as the crucial elements for successful implementation of the Project. The NIM with UNDP support worked well for the Project (Project Implementation)
5. The Project ensured the alignment between its goals/objectives with the national development goals, strategic plans and the priorities in the areas of climate public finance policy and related capacity development in Bangladesh. The Project assisted the Finance Division by addressing the most urgent needs in formulating and implementing climate public finance policies and capacity for long-term development. (Relevance)
6. The Project was not implemented as effectively as expected in delivering planned results in some areas as it did not contribute to policies and capacity changes beyond planned benefits. (Effectiveness)
7. The Project was inefficient, and the support from UNDP country office was not adequate in some cases. The delay in delivery of project outputs in some cases lead to the unsatisfactory performance of Project implementation. (Efficiency)
8. The Project contributed to the achievement of intended results and had significant impacts on the rationalization of the Public Financial Management (PFM) of climate finance. It was successful in the introduction of a climate policy-based focus to planning, budgeting, and performance management of climate finance by implementing the GoB's Climate Fiscal Framework. Nevertheless, the real impacts of the Project would depend on the extent to which the CFF and policies developed by the Project are implemented and realized. (Impact)
9. The Project was sustainable as it made contributions to a wide range of high-quality knowledge products across most outcomes and long-term capacity development of the Finance Division. These products, particularly the CFF, formulated and implemented by the Project can guide the national climate finance development agenda after the Project ends. However, many of the important outputs that have been produced by the Project need to be finalized and fully implemented by Finance Division. Additional resources need to be provided for a post-Project. (Sustainability)
10. The Project was able to facilitate awareness of the complexities of gender equality during its implementation. In particular, the Project developed a Gender Action Plan for 2020,



which provided support for mainstreaming gender issues through its activities. Nevertheless, there was still a demand for designing inclusive gender specific logical chain targeting the empowerment of women during the Project design. (Cross-cutting Issue)

Through the above analysis, the following core lessons learned were derived.

1. There is more chance of success for a project with a well-designed RRF and M&E plan. In particular, a good design of activity, output, and outcome in the RRF and a good design of results, indicators, and targets in the M&E plan, are the preconditions for successful implementation of the Project. (Project Design)
2. More importantly, the results, indicators and targets in the M&E plan should be consistent with activity, output, and outcome in the RRF, which was not the case in the Project. Any updates on the results, indicators and targets should consider the updates on activities, outputs, outcomes, and vice versa. (Project Design)
3. Possessing strong partnership with the regular involvement and oversight of UNDP and professional staffs in the PMU/project implementation team (which was not the case in the Project) contributed to good results during the implementation of the Project and proved to be an excellent operational model. (Project Implementation)
4. Adaptive management is an important management instrument for ODAs projects. It provides the necessary flexibility to assess and change the approach to implement the Project as needed and guarantee the project outcomes while sticking to the original project plan. (Project Implementation)
5. A project that acknowledges and meets the clear needs and priorities of a national partner is generally highly relevant. Being able to promptly respond to and being in line with the development needs and priorities of the national partner is among the most essential elements that have successfully contributed to the realised results. (Relevance)
6. A national project requires a more coherent and systematic E&M system against outcomes, outputs, indicators and target that helps ensure its effectiveness. (Effectiveness)
7. A well-functioning PSC/Board as an executive agency and a professional Project Management Unit (PMU) as an implementing agency will ensure project efficiency. The PSC/board supervises the project through providing a strategic direction and guidance while PMU manages the project through undertaking the routine daily activities. (Efficiency)
8. Formulation of the Climate Fiscal Frameworks at national and local levels and integration into national strategic plan was neither a simple or a linear process due to varying political agendas. A project timeframe is too short to fully implement and to achieve the intended results before the Project ends. It does not give enough time contingency for the risks associated with changing environments. (Sustainability)
9. To achieve the real impact of the Project, the Project should regularly assess its indicators so that the Project can clearly identify its contributions to the achievement of intended results. (Impact)
10. It is essential that cross-cutting results be part of the project activities, outputs and outcomes with clear indicators in the RRF as well as part of reporting requirements so as to guarantee the mainstreaming of cross-cutting issues in a project. (Cross-cutting Issue)

Based on the analysis of the findings above, the major recommendations are presented below.

1. The Project could more effectively consider the logical chain between activities, outputs and outcomes. (Project Design/Project implementation)
2. The Project could further consider the logical chain between the results, indicators, and targets as this chain offers a powerful instrument for monitoring and evaluating the project performance for future project design. More importantly, updates on the results, indicators and targets should consider the logical chain above. (Project Design)

3. A professional PMU, which should include at least one staff in project/programme management for would have been more effective for project implementation. Recruitment of further external consultants could be ensured for the effective implementation of activities. A professional PMU can resolve the delay and other implementation issues. (Project Implementation)
4. The Project should have focused on the components/outcomes that are highly relevant to the objectives of the Project and UNDP. More importantly, the Project should have concentrated on the CFF related policy formulation and implementation. (Relevance)
5. The Project should have completed the activities in other components/outcomes particularly Outcome 2, 4 and 5. As shown above, for each output, there is % of targets that have not been achieved. As such, the Project should close the gap before the end of the Project so as to enhance the effectiveness of the Project. (Effectiveness)
6. The Project should have been implemented following the AWP so as to ensure that the limited resources and timeframe was better aligned with the objectives and scope of the Project for future project implementation. (Efficiency)
7. To scale up the impact of the Project, the Project should have provided high priority to fully implement all key outputs which were released but not fully implemented, particularly the implementation of CFF and other important knowledge products. (Impact)
8. The Project could consider the measures below while implementing the exit strategy for. (i) The staff in Finance Division and other divisions under Ministry of Finance, who were highly involved in the project activities, should have had a full understanding of the major project knowledge outputs. (ii) The priorities in the frameworks and policies should have been mainstreamed into Finance Division and other divisions in the Ministry of Finance and other Ministries' Annual Work Plans. (sustainability)
9. Many important outputs that were produced by the Project remain to be finalized and fully implemented by Finance Division. To ensure that the Project activities to date have the intended beneficial impact, additional resources can be provided for a post-Project to enable the much-needed operationalization and realization. (Sustainability and Impact)
10. There is high demand to ensure effective gender equality within the Ministry of Finance and other ministries in Bangladesh. The Project should have more effectively designed the activities to foster women's empowerment and gender mainstreaming within Ministry of Finance, such as capacity building for female employees to increase their participation in decision-making and in policy formulation associated with climate finance. More importantly, the Project could have included more elaborate gender-specific indicators and targets in the logical framework, M&E Plan, and in the preparation of progress and annual reports. (Cross-cutting Issue)

# 1. INTRODUCTION

## 1.1 Background

The People's Republic of Bangladesh is in South Asia. It is one of the most populous countries in the world, with a population of around 163 million people and an area of 148,560 square kilometres in 2020. Bangladesh shares land borders with India on its west, north, and east, Myanmar to the southeast, and the Bay of Bengal to the south. The Bengalis account for 98% of the total population of Bangladesh. The large Muslim population of Bangladesh makes it one of the three largest Muslim-majority countries in the world.

The Gross Domestic Product (GDP) per capita in Bangladesh was US\$ 1968.79 in 2020, higher than US\$1900.71 in India and US\$ 1193.73 in Pakistan. Although Bangladesh has recorded high economic growth (above 5 percent for the last 10 years except for 2020) due to the development of microcredit and garments industry, it is considered a developing economy with almost 20.5% of Bangladesh's people living in poverty.<sup>1</sup> Bangladesh was ranked 157th out of 199 countries for the GDP per capita in 2019<sup>2</sup> and 133 out of 189 countries for the Human Development Index (i.e. medium human development) in 2020<sup>3</sup>.

Similar to other developing countries, Bangladesh faces challenges in terms of attaining sustainable development. Three-fifths of Bangladeshis are employed in the agriculture sector and three-quarters of exports revenues are from the garment sector. The major barriers to sustainable development in Bangladesh are overpopulation, poor infrastructure, political instability, and slow implementation of economic reforms.

Climate vulnerability is becoming increasingly challenging for sustainable development in Bangladesh, as the country has suffered from extreme climate shocks for the last few decades. Located in the delta ecosystem on the confluence of three river systems, Bangladesh has become one of the most climate-vulnerable countries in the world. The poor households are affected by climatic hazards and the impact will grow significantly due to climate change, resulting in greater rural and urban poverty, faster urban migration and growing exposure of Dhaka and other cities to climate change along with other challenges mentioned above.

To respond to the impacts of the change, the Government of Bangladesh (GoB) developed the Bangladesh Climate Change Strategic Action Plan in 2008 and updated it in 2009. The GoB also established the climate fiscal framework (CFF) that considered climate finance as the flow of funds toward activities aiming at reducing GHG emissions or helping societies in developing resilience to adapt to the effects of climate change.

The Finance Division under the Ministry of Finance is the government agency that is responsible for formulating the CFF through an inter-ministerial committee with representatives from the Local Government Division, Ministries of Agriculture, Fisheries and Livestock, Food Division, Water Resources, Environment and Forests, Disaster Management and Relief, Bangladesh Bank, Bank and Financial Institution Division, Auditor General Office, Climate Change Trust Fund and the Planning Commission.

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<sup>1</sup> Poverty Data: Bangladesh, ADB, <https://www.adb.org/countries/bangladesh/poverty>

<sup>2</sup> [databank.worldbank.org](http://databank.worldbank.org)

<sup>3</sup> Human Development Index (HDI), UNDP, <http://hdr.undp.org/en/content/human-development-index-hdi>

In response to these challenges and support of the Finance Division, under joint financial resources from the UNDP, GIZ, SIDA and DFID, the Inclusive Budgeting and Financing for Climate Resilience (IBFCR) Project (the Project) was developed and approved by UNDP in June 2015.

## **1.2 Project Descriptions**

The overall objective of the Project was 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 GoB's Climate Fiscal Framework. The Project intended to foster a sustainable basis for identifying, maximizing and managing sources and application of funds for financing climate-resilient actions. The project also intended to develop a climate-related capacity and expertise within Finance Division and develop stronger relationships and collaborative partnerships with other major climate stakeholders.

The project components/outcomes as per the project document were as follows:

1. Climate Fiscal Framework implementation and management
2. Strategic climate change sensitive planning and budgeting management
3. Climate public finance governance strengthened
4. Strengthening Finance Division's coordination roles in climate public finance management
5. More effective planning and budgeting for climate change finance at the local level

Based on the UNDP project monitoring and evaluation (M&E) policies and procedures, the Project is required to undergo a Final Evaluation (FE) at the end of project implementation.

This evaluation report is organized as follows. Section one provides a description of the country and the project context. Section 2 provides an overview of the evaluation objectives, scope and methodology. Section 3 presents the main findings in project design; project implementation, and project results against the standard dimensions of relevance, effectiveness, efficiency, impact, sustainability, and cross-cutting issues. Section 4 summarizes the major conclusions and key lessons learned drawn from the experience of the project. Section 5 provides a set of recommendations for the consideration of project stakeholders.

## 2. EVALUATION OBJECTIVES AND SCOPE

### 2.1 Evaluation Objectives

The FE team followed the objectives of FE as indicated in the Terms of Reference (see Annex 1). The overall objective of the assignment is to conduct the final evaluation of the “Inclusive Budgeting and Financing for Climate Resilience (IBFCR) Project”. The specific objectives of FE are but not limited to the following:

- To assess overall progress, achievements and detailed results of the project during the whole project period based on the results framework, including the needs and problems identified during project design, in terms of anticipated impacts;
- To assess the extent the IBFCR project has contributed to influencing relevant national and sectoral level policies in Bangladesh in becoming climate-informed;
- To assess the effectiveness of institutional strengthening support provided to the Finance Division (capacities, perceived effectiveness of role)
- Achievements and effectiveness of public finance reforms (e.g., as regards budget circulars, climate budget tracking; integration of specific modules etc.);
- To examine the efficacy of the hypothesis/assumptions embedded in the Theory of Change of the IBFCR project; and
- To assess the extent to which the project was able to adapt to changing circumstances/environment, to draw lessons learned and identify good practices for replication and/or up-scaling and provide forward-looking recommendations for the next programming phase.

In particular, the final evaluation assessed the following aspects of the IBFCR project:

**Relevance:** Are the project outcomes consistent with the national priorities, UNDP corporate priorities, and have they remained relevant over time?

**Efficiency:** To what extent was it able to achieve value for money (results delivered vs resources expended)?

**Effectiveness:** To what extent were the objectives achieved based on approved results framework? What were the major factors influencing the achievement or non-achievement of the objectives?

**Results/ Outcomes/ Impact:** What are the positive and negative, foreseen and unforeseen, changes and effects driven by interventions supported by the projects? Results include direct project outputs, short to medium-term outcomes, and longer-term potential impacts including national benefits, replication effects and other, local effects.

**Sustainability:** National ownership of the results and the likely ability of interventions supported by the projects to continue to deliver benefits for an extended period after completion. Assess the project’s role in influencing wider policy at the national and international level and to what extent benefits of project intervention will continue or are likely to continue.

The FE covers a whole project period, i.e. from the beginning to the end of the project. The scope of evaluation was agreed upon in consultation with the UNDP country office and the project team. Additional considerations were added at the discretion of UNDP.

## 2.2 Evaluation Scope

The FE team also followed the scope as indicated in the Terms of Reference (see Annex 1). The FE team was responsible for conducting the final evaluation of the “Inclusive Budgeting and Financing for Climate Resilience (IBFCR) Project”. The team was expected to provide an independent review of the performance of the project in relation to the following key aspects:

### Strategic direction

1. Assess the effectiveness of implementation strategies for different project outcome areas
2. Evaluate the relevance of the IBFCR project in the context of GoB’s climate change policies, plans and priorities including ongoing PFM reforms agenda.
3. Examine the level of integration of climate change policies and priorities with the overall climate finance governance

### Implementation performance

1. Assess progress against specified outputs, identifying the project’s contribution from other unrelated factors
2. Assess the perception of key stakeholders on the direct and indirect benefits derived from the project
3. Assess the outcome-wise allocation of funds and their efficient utilisation for project activities with a focus on value for money for the results generated
4. Assess the financial management and procurement procedures of the project and how they are used to achieve value for money
5. Analyze the organizational and institutional factors that influenced the project’s performance
6. Internally and externally assess the available technical support, in support of the project’s implementation. Analyze the project’s steam composition (whether it is optimal or not) as well as its effectiveness in carrying out project activities collectively as a comprehensive team.
7. Assess the extent to which project deliverables are being embedded into overall PFM systems and processes of the government with a view to the eventual handover of the project
8. Assess whether UNDP’s partnership strategy has been appropriate and effective
9. Assess what factors have contributed to effectiveness or ineffectiveness

### Lessons learned

1. Identify innovative approaches and their potential for replication
2. Identify approaches that failed to achieve the desired results and document the reasons for this failure
3. Identify best practices and their potential for replicability for other Ministries

### Sustainability

1. Assess the sustainability of results considering the current policy and programmatic thrust of the Government of Bangladesh
2. Review ongoing activities and the likelihood to sustain after the project has concluded
3. Assess the degree of ownership of the government

### Knowledge Management and Communication

1. Assess how far knowledge management and networking aspects have been pursued
2. Review the effectiveness of the communication and visibility strategy
3. Assess to what extent awareness levels of project stakeholders on climate public finance governance have increased

## 3 Evaluation Approach and Methodology

### 3.1 Evaluation Approach

The evaluation approach is based on a Theory of Change (ToC). A reconstructed and abridged ToC was developed during the inception phase, based on desk review to explain causality and change while including underlying assumptions. The starting point for developing the ToC was the country office's existing ToC for the programme and outcomes. During the interviews, the validity of the reconstructed abridged ToC was further discussed and validated. The ToC was further updated as the evaluation progressed, based on the discussions with the stakeholders. The choices of evaluation methods and the proposed strategy for undertaking the evaluation were based on the ToC and its assumptions. An evaluation matrix was developed to identify the sub-questions, sources of information and evaluative evidence for each of the evaluation questions. The ToC, including its underlying assumptions and risks, guided the assessment of outcome-level results.

### 3.2 Data Collection Methods

**Documentation review.** The FE team undertook an extensive review of the relevant documents, which included, among others, background documents on the regional, subregional and national contexts, other evaluation reports and studies from international organisations such as the World Bank, Asian Development Bank, and other United Nations agencies; project/programme documents such as work plans, progress reports; monitoring and self-assessment reports, strategy notes, quality assurance and audit reports, and programme evaluation reports.

**Stakeholder analysis.** A desk review was used to undertake a stakeholder analysis to identify all relevant programme stakeholders. This analysis was used to identify key informants for interviews during the data collection phase, and to examine any potential partnerships that could improve the programme's contribution to the country. Efforts were also made to interview stakeholders who had not worked with the programme but played a crucial role in the outcomes to which the programme contributed.

**key informant interviews.** Given the COVID-19 pandemic, the FE team conducted the evaluation remotely with virtual stakeholder interviews instead of in-country field work with close consultation with the country office. As a result, most of the primary data for the evaluation was collected remotely, using phone and video communication tools, and only a few interviews were conducted in person (through a national consultant). A list of evaluation questions was developed (Annex 5) based on the FE Terms of Reference and sent to some stakeholders prior to the interview through email to allow them to prepare. All responses were treated with strict confidentiality. The evaluation questions were employed as a general guide and the actual interviews were semi-structured and flexible depending on their positions and role in the project. Only parts of the questions were asked for each interview. The team followed up with further questions when necessary.

**Triangulation.** The triangulation method was employed to cross-check the sources of information and to help overcome the possibility of bias that may have emerged from a single source of information. In particular, the preliminary findings of the desk review were validated during stakeholder interviews and used to identify gaps in data and any important issues requiring subsequent follow-up.

### 3.3 Assessment of Project Achievements

The assessment of project achievements and performances was based on the parameters in the Project Results & Resources Framework (RRF), which included project objectives, targets and indicators with corresponding means of verification.

The FE team employed a rating system for the project's results based on the framework in Table 1 and the rating scales shown in Table 2.

**Table 1: Rating Framework**

Project Element	Evaluation Rating	Reasons for Rating
	(From Table 2)	(Each rating must be justified)
Project Design:		
Project Implementation		
Relevance:		
Effectiveness:		
Efficiency:		
Impact:		
Sustainability:		
Overall Rating:		

**Table 2: Rating Scales**

<i>Criteria of Rating</i>			
<i>Project Design, Implementation, Effectiveness, Efficiency, and Overall</i>	<i>Sustainability</i>	<i>Relevance</i>	<i>Impact</i>
<ul style="list-style-type: none"> <li>• <b>Highly Satisfactory:</b> No shortcomings.</li> <li>• <b>Satisfactory:</b> Minor shortcomings.</li> <li>• <b>Moderately Satisfactory:</b> Some shortcomings.</li> <li>• <b>Moderately Unsatisfactory:</b> Significant shortcomings.</li> <li>• <b>Unsatisfactory:</b> Major problems.</li> <li>• <b>Highly Unsatisfactory:</b> Severe problems.</li> </ul>	<p><b>Highly Likely:</b> Negligible risks.</p> <p><b>Likely:</b> low risks.</p> <p><b>Moderately likely:</b> Moderate risks.</p> <p><b>Unlikely:</b> significant risks.</p>	<p><b>Highly Relevant</b></p> <p><b>Relevant</b></p> <p><b>Moderately Relevant</b></p> <p><b>Not relevant</b></p>	<p><b>Highly significant</b></p> <p><b>Significant</b></p> <p><b>Moderately Significant</b></p> <p><b>Negligible</b></p>

### 3.4 Evaluation Performance Standards

The FE was in line with the criteria of performance standards that was provided to the team as part of the terms of reference. The evaluation included criteria that are most commonly employed at UNDP and are based on the OECD-DAC criteria of relevance, efficiency, effectiveness, impact and sustainability.



As the IBFCR project was policy-oriented, the FE also assessed the project's impact on relevant policies of the government and broader policy-level impacts which could be attributed to the project's interventions.

### **3.4 Evaluation Questions**

A list of evaluation questions was developed based on the Terms of Reference and was sent to some stakeholders prior to the interviews through email to allow them to prepare. All responses were treated with strict confidentiality.

The evaluation questions were employed as a general guide and the actual interviews were semi-structured and flexible depending on their positions and role in the project. Only parts of the questions were asked for each interview. The consultant followed up with further questions where necessary. The list of evaluation questions is presented in Annex 5.

### **3.5 Evaluation Limitations**

The travel restrictions posed by the COVID-19 pandemic limited the capacity of the FE team to conduct in-person interviews and interact with different stakeholder groups and beneficiaries. To mitigate these challenges, the evaluation team broadened the range of documentation included in the desk review, including data and reports from the Government, United Nations agencies, donors, and others. The team extended the horizon of its stakeholders and key informants to ensure coverage and diversity of views and triangulation of evidence from multiple sources. In addition, the FE team conducted extensive context analysis, as well as in-person meetings where necessary. The FE team also conducted a virtual debriefing meeting with the country office to discuss some of the emerging findings, check the accuracy of evidence and filled any data gaps due to the limitations.

### **3.6 Guidelines and Ethics**

The FE team conducted the evaluation by following the United Nations Evaluation Group (UNEG) Ethical Guidelines for Evaluators in 2008 and the United Nations Universal Declaration of Human Rights, being sensitive to and addressing issues of discrimination and gender equality (see Annex 7).

In addition, the team ensured the anonymity and confidentiality of individuals who were interviewed and surveyed.

## 4. FINDINGS

### 4.1 Project Design

#### 4.1.1 Project Results & Resources Framework

The Project Results & Resources Framework (RRF) from the Project Document (PD) indicated a detailed set of goals/objectives, outcomes, outputs, and indicative activities and output targets (see Annex 2). The Project Logical Framework (PLF) provides a useful tool to facilitate the successful management, monitoring and reporting of project implementation. The RRF for this project does not seem well designed. Firstly, the project did not set its own goals/objectives (with indicators). However, the project's intended outcomes have been well aligned with the following goals/objectives of UNDAF Action Plan (AP) for Bangladesh :

- *5.1: By 2016, population vulnerable to climate change and natural disasters have become more resilient to adapt with the risk;*
- *5.2: By 2016, vulnerable populations benefit from natural resource management (NRM) environmental governance and low emission green development.*

Project goals/objectives (intended outcome) were consistent with the above UNDAF AP, but the lack of project-specific goals/objectives resulted in some challenges during the implementation phase.

Secondly, this FE tracks that the components/outcomes of the project outlined in section 3 of the Project Document are not well defined. Well crafted definitions, drawn from the best practices in the relevant focus areas could be more helpful to provide the Ministry of Finance with the essential guidelines, frameworks, strategic climate change sensitive planning and budget management and capacity. This could further support the Government of Bangladesh towards being a key player in inclusive budgeting and financing for climate resilience and sustainable development in the South Asian region.

In particular, the RRF did not provide a structured logical chain, i.e. from activities to outputs, outcomes, and goals/objectives. In theory, the Project resources were utilised to implement the planned activities to produce a set of expected outputs, which lead to achieving a set of expected outcomes, which in turn resulted in realizing the overall goals/objectives of the Project. The Project intended to fill the framework/policy and capacity gaps and meet the initially identified priorities. The situation analysis during the design phase identified several crucial constraints, which consisted of poor management, weak coordination between the divisions under the Ministry of Finance and sectoral ministries, and lack of strategic focus. The design of the logical chain is generally responsive to this specific strategy and capacity priority. The absence of a well-designed logical flow in the RRF are demonstrated below:

*(i) The planned activities were not directly related to achieving a set of expected outputs.* For Output 1.1, as an example, 4 types of activities in Column Activities were not directly linked to the output. Fiscal policies (Pricing, taxation and subsidy) were reviewed for coherence with BCCSAP objectives and recommendations made on an annual basis. It was a part of the development of the Medium-Term Budget Strategy (MTBS) within the MTBF processes (Table 3).

*(ii) The expected outputs did not contribute directly to expected outcomes.* For Outcome 1 as an example, fiscal policies (Pricing, taxation and subsidy) reviewed for coherence with BCCSAP objectives and recommendations made on an annual basis as part of the development of Medium-Term Budget Strategy (MTBS) within the MTBF processes did not directly contribute to Outcome 1 (Climate Fiscal Framework Implementation and Management). Output was in the review phase while the outcome was in the implementation and management phase. CFF review would not lead to CFF implementation and management. The same problem could be found in almost all other outcomes.

**Table 3: Logical Chain from Activities, to Outputs and to Outcomes**

Outcome/Component 1	Output	Output Targets	Activities
Project Outcome/Component 1. Climate Fiscal Framework Implementation and Management	Output 1.1: Fiscal policies (Pricing, taxation and subsidy) reviewed for coherence with BCCSAP objectives and recommendations made on an annual basis as part of development of Medium Term Budget Strategy (MTBS) within the MTBF processes.	<ol style="list-style-type: none"> <li>1. Annual Review of strategy and policy in climate-related adaptation incentives, subsidies and tax revenues.</li> <li>2. Gap analyses of 1 above completed</li> <li>3. Coherent climate-sensitive fiscal strategy that promotes pro-poor growth in place.</li> <li>4. Recognition of the full range of climate issues (adaptation and mitigation) in MTBS implemented.</li> </ol>	<ol style="list-style-type: none"> <li>1. Support to institutionalize climate dimension of MTBS.</li> <li>2. Review and revision of fiscal measures, incentives and subsidies.</li> <li>3. Assess Finance Divisions' internal information systems to recognize on-budget external resources.</li> <li>4. Develop economic models for monitoring effectiveness of CFF fiscal initiatives.</li> <li>5. Integration of Climate Fiscal Framework with MTMF component of National Budget Strategy.</li> </ol>
	Output 1.2: CFF Implemented and Reviewed	<ol style="list-style-type: none"> <li>1. Revision of existing Climate Fiscal Framework based on broader stakeholder review at the national and local level.</li> <li>2. Review of Climate Fiscal Policy documents of CFF and Presentation of Climate Fiscal Policy documents by Finance Division for approval by Government.</li> <li>3. Medium Term Budget Strategy recognizes Climate Fiscal Framework.</li> <li>4. Climate financial management mechanisms established.</li> <li>5. Ongoing maximization of on-budget climate funds (see Output 1.3.2).</li> </ol>	<ol style="list-style-type: none"> <li>1. Consultation Workshops with internal and external stakeholders</li> <li>2. Options developed and refined for the financial management of internal climate funds</li> <li>3. Support to establish climate financial management mechanisms at National and Local level in Finance Division</li> <li>4. Establish information flows between IRD, ERD and Finance Division to accumulate and share data to monitor external and internal sources for climate finance.</li> </ol>

(iii) The activities were not logically structured for achieving one output. For example, 5 types of activities to achieve Output 1.1 and 7 types of activities were undertaken to realise Output 3.2.

(iv) The outcomes and outputs were not well defined in the RRF. the outcomes and outputs were not defined as products. For example, Output 1.1 was described as "Fiscal policies (Pricing, taxation and subsidy) reviewed for coherence with BCCSAP objectives and recommendations make on an annual basis as part of the development of Medium Term Budget Strategy (MTBS) within the MTBF processes," which was not a product. In addition, fiscal policies were not an appropriate term for pricing, taxation and subsidy. A similar problem exists for almost all outputs and outcomes.

Consequently, the RRF was updated by providing concrete activities, output and output targets in the Inception Report. However, the problems of not logical connections above remain.

In summary, the RRF was assessed to be not well-conceived and designed. It did not reflect on the best practices in the international development programme.

## 4.1.2 M&E Design

The assessment indicates the M&E design of this project is not well-designed. A well-designed RRF should comprise a set of indicators with baseline and target values to be realised by the end of the Project for each output/outcome and the overall goal/objective. These indicators and targets were utilised to monitor and evaluate the Project's performance. The intended outcome and output from UNDAF in the RRF. However, the RRF of this project (Annex 2), lacks indicators and targets for the overall goal/purpose of the Project. In addition, there were only output targets without indicators with baseline and target values to be achieved.

Although the RRF was updated by providing concrete activities, output and output targets in the Inception Report, the problems for the logical chain from output/outcome, indicators, targets remain unchanged.

The Project document did contain an M&E plan. However, the M&E Plan was not well connected to the RRF as it did not use the RRF indicators and targets as a basis for M&E. The planned M&E activities included:

- Quarterly quality assessment: assess the progress towards the completion of results;
- Annual review report: assess the performance of the project and AWP for the coming year; and
- Mid-term evaluation at the end of year two.

However, the FE team was unsure whether a mid-term evaluation was conducted during the Project period. Given the Project's highly ambitious and complex nature, a mid-term review would have helped bring an external perspective to assist the Project. Thus, the project had limited scope to identify room for improvement.

As part of the inception report, a new M&E plan was developed. However, the output targets in the RRF and the new M&E Plan in the Inception Report were not consistent. As shown in Table 4, almost all output indicators did not represent the outputs properly. The output targets in the original RRF, although the updated output indicators were excellent outputs and the updated output targets. Similar observations were identified in Outcomes 3, 4, and 5.

**Table 4: Comparison of Indicators and Targets for Outcomes 1 and 2**

Outcome/ Component 1	Output	Output Indicators	Output Targets	Baseline (Year)	Target (Year)
Project Outcome/Component 1. Climate Fiscal Framework implementation and management	Output 1.1: Fiscal policies (Pricing, taxation and subsidy) reviewed for coherence with BCCSAP objectives and recommendations make on an annual basis as part of MTBS.	Degree of alignment of climate policies with fiscal policies.	1. Annual review of strategy and policy in climate-related adaptation incentives, subsidies and tax revenues 2. Gap analyses of 1 above completed 3. Coherent climate-sensitive fiscal strategy that promotes pro-poor growth in place 4. Recognition of the full range of climate issues (adaptation and mitigation) in MTBF6 implemented	0 (2017)	2018: Moderate alignment; 2019: High alignment; 2020: High alignment; 2021: Full alignment
	Output 1.2: CFF Reviewed and implemented.	1. Degree of Integration of Climate Fiscal	1. Revision of existing CFF based on broader	0 (2017)	2018: Moderate integration;

Outcome/ Component 1	Output	Output Indicators	Output Targets	Baseline (Year)	Target (Year)
		Framework (CFF) with Medium Term Macro-Economic Policy Statement (MTMPS) component of national Budget Strategy	stakeholder review at national and local level 2. Review of Climate Fiscal Policy documents of CFF and approval thereof by Government 3. Recognition of CFF in MTBF 4. Maximisation of on-budget climate funds		2019: High integration; 2020: High integration; 2021: Full integration
		2. Degree of recognition of the full range of climate issues (adaptation and mitigation) in Medium Term Budget Framework (MTBF) and Medium-Term Macro Economic Policy Statement (MTMPS).	1. Revision of existing CFF based on broader stakeholder review at national and local level 2. Review of Climate Fiscal Policy documents of CFF and approval thereof by Government 3. Recognition of CFF in MTBF 4. Maximisation of on-budget climate funds	0 (2017)	2018: Moderate recognition; 2019: High recognition; 2020: High recognition; 2021: Full recognition
Project Outcome/Component 2: Strategic climate change sensitive planning and budget management	Output 2.1: Climate dimension recognised explicitly in Ministry Budget Frameworks of main spending ministries/divisions.	1. % of ministries identified long term costs of climate actions (and prioritised by sector) for inclusion on an annualised basis in Annual Development Programme (ADP) and Medium Term Budgetary Framework (MTBF).	1. Key Ministry Budget Documents (MBF, MTSBP) identify climate related planned expenditure 2. Climate related indicators set by key Ministries are linked to BCCSAP themes, NDC, CIP and SDG 3. Strengthened recognition of climate policy drivers in key institutions	0 (2017)	2018: 65%; 2019: 81%; 2020: 100%; 2021: 100%
		2. % of Ministry Budget identify climate related planned expenditure.	1. Revised Chart of Accounts includes Climate Change consistent with BCCSAP themes [in collaboration with Public Expenditure Management Strengthening Programme (PEMSP) of Finance Division] 2. Climate mapping tools integrated with iBAS	7.5% (2017)	2018: 7.9%; 2019: 8.0%; 2020: 8.5%; 2021: 8.5%
	Output 2.2: Long term costs of climate resilience works identified (and prioritized by sector) for inclusion on an annualised basis in ADP and MTBF.	Macroeconomic Framework operationalised	1. Revised and detailed breakdown of costings of BCCSAP, NDC, and NAP developed in consultation with MoEF, Planning Commission and Finance Division 2. Capacity to monitor costed themes in BCCSAP enhanced in Finance Division	0 (2017)	2018: Framework approved by GoB; 2019: Framework operationalised; 2020: Results of operation reviewed; 2021: Results of

Outcome/ Component 1	Output	Output Indicators	Output Targets	Baseline (Year)	Target (Year)
			3. Monitoring of composition and distribution of climate related Public Expenditure established to ensure consistency with BCCSAP themes incorporated in MTBF 4. Prioritized and costed long term National Climate Change Plans (NAP, BCCSAP, FYP, NDC, CIP)		operations reviewed

In summary, the updated M&E was not well designed based on the best practices in the international development programme as it was not consistent with RRF in the original project document and the Inception Report.

### 4.1.3 Stakeholder Participation

The project stakeholders were not analysed during the design phase but were identified and consulted during the inception phase. The primary target stakeholders were government ministries and their subsidiary agencies and departments/divisions responsible for climate change and the government budget. The primary target stakeholders included:

- Office of the Comptroller and Auditor General (OCAG);
- Economic Relations Division (ERD);
- Policy Research Institute (PRI);
- General Economics Division (FED);
- National Board of Revenue (NBR);
- Implementation Monitoring and Evaluation Division (IMED);
- Socio-economic Infrastructure Division, and Programming Division, Planning Commission;
- Macroeconomic Wing, Finance Division;
- Ministry of Environment and forests (MoEF); and
- Bangladesh Ban (BB).

The stakeholder consultations took place during the inception phase of the Project funded by the UNDP, GIZ, SIDA and DFID. These stakeholders participated in the design of the Project within the country's sustainable development framework. They also participated in discussing recommendations for the Public Financial Management (PFM) of climate finance and the focus on planning, budgeting and performance management of climate finance by implementing the Climate Fiscal Framework; and climate-related capacity and expertise development within the Finance Division and its partnerships with other climate stakeholders.

The consultations were not conducted until the inception phase. Further, the roles and responsibilities of various stakeholders, including the UNDP, GIZ, SIDA and DFID were not clearly defined in the project document and the Inception Report.

### 4.1.4 Cross-cutting Issues

The gender dimension was not considered during the design stage. It was not even mentioned in the project design document and Inception Report. In particular, the original activities, output, output targets, and outcomes; and updated indicators and targets under all outputs and outcomes did not even indicate the participation of women in the programme. There was a need to design an in-depth gender-specific

logical chain (from activities to outputs and to outcomes with indicators and targets) targeting women's empowerment.

The overall design of the Project was graded as “highly unsatisfactory”.

## **4.2 Project Implementation**

### **4.2.1 Implementation Modality**

UNDP employs two primary implementation modalities for national-level development projects.

- Direct Implementation Modalities (DIM): UNDP maintains direct control of project implementation, including the PMU arrangements, procurement, disbursements and M&E.
- National Implementation Modalities (NIM): UNDP has an agreement with a relevant national government agency that assumes all project implementation functions, including PMU arrangement, procurement, disbursements and M&E.

The Project was implemented under a NIM modality where the project activities were implemented and managed by the Finance Division (FD) of the Ministry of Finance while UNDP provided support in the following areas:

- (i) technical assistance in national climate fiscal frameworks, best policy and practice on climate finance;
- (ii) (capacity development across all levels on public finance management of climate finance;
- (iii) monitoring and quality assurance services; and
- (iv) human resource management, procurement, and fiduciary services. NIM had the advantage of promoting national ownership, accountability, capacity development, and sustainability of the results.

The document review and consultation with stakeholders confirm that the NIM modality worked well for this project. Although, there were mirror issues such as adequate financial auditing of project expenditure.

### **4.2.2 Project Board and PMU**

To ensure project partners contribute to the project management and implementation, a Project Board was established. Senior officials of the Government of Bangladesh (FD, IRD, ERD, PC, MoEF, AGO, IMED, LGD), UNDP, UNEP and Development Partners were the members of this board. The FD chaired Project Board acted as the Project Secretariat. The functions and responsibilities of the Board were:

- Oversight of the project, including consensus management decisions for the project and approval of project plans and revisions;
- Ensure accountability, transparency, effective project management and best value for money; and
- Review and approve the work plans and budgets.

Through the review of board meeting minutes and other documents, and consultation with stakeholders, it appeared that the Project Board was an effective component of the management arrangements for the Project as it:

- enabled a high level of involvement by the Ministry of Finance and other line ministries over project implementation,
- ensured close relationships between all stakeholders at a senior level; and
- empowered the Board with discretion to steer the Project by adapting to any changes associated with circumstances, needs and priorities.

To manage the daily implementation of the Project, FD established a small Project implementation team. The team consisted of a National Project Director (NPD), in the rank of Additional Secretary, deputed from GoB and a Project Counterpart Officer, in the rank of Senior Assistant Secretary and other team members. The Project Manager provided strategic and managerial support. The functions and responsibilities of the Project Implementation team are:

- Prepared quarterly reports under the guidance of the NPD and submitted to UNDP, who would share narrative and financial reports with co-funding development partners;
- Prepared work plans and budgets; and
- Other routine office activities.

The organizational structure of the Project Board, PSC, and project implementation team is given in Figure 1. The only deficiency of the Project implementation team was its relatively small size compared to the strategic and highly ambitious and complex nature of the Project.

Nevertheless, The project outputs were not delivered following AWP in some cases. In addition, there was an unacceptable more than 24-month delay as the planned end date was May 2019.

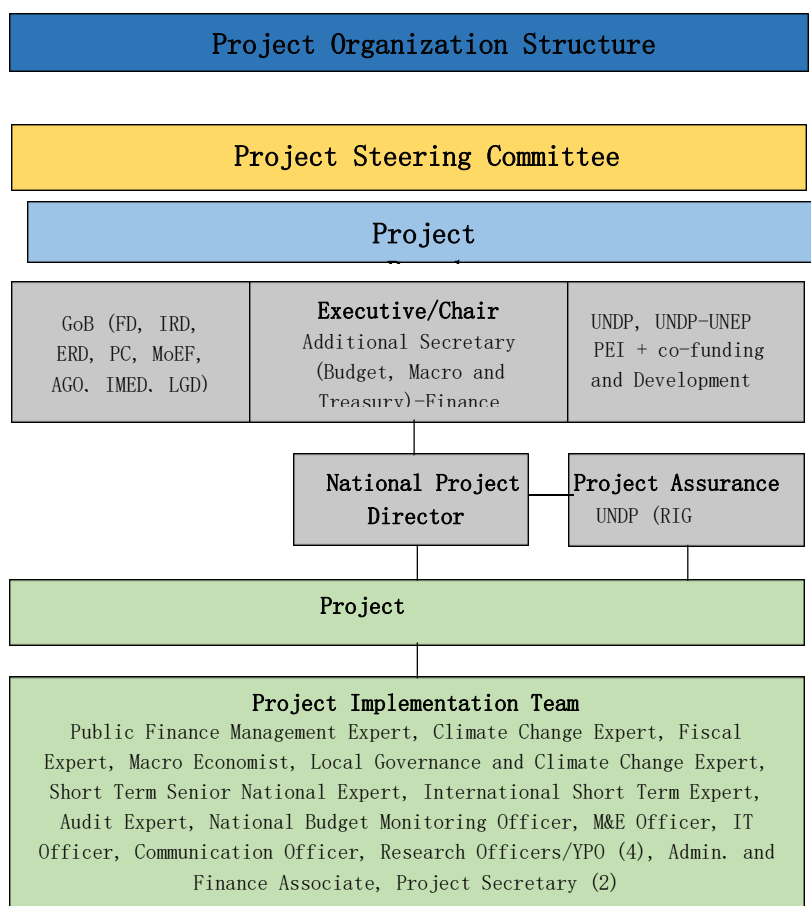


Figure 1: Project Management and Implementation Structure

### 4.2.3 Adaptive Management

The FE team assessed that the Project stakeholders exhibited a strong capacity for adaptive management in response to changing circumstances, which was critical to project success. Below is a few examples:



- Empowerment of the Project Board to steer the Project in response to changing circumstances, needs and priorities. For example, after the outbreak of the COVID-19 pandemic in 2000, the Project organized a steering committee meeting and technical advisory group meetings to take the key stakeholders on board about the project activities and have both strategic and technical guidance. Most of the meetings were held by using the virtual platform
- The RRF was discussed during the Inception Workshop and a few changes were made, namely:
  - Updated output targets and indicative activities;
  - Updated the key activity timeline; and
  - Update/develop monitoring and evaluation plan.

A very rapid response by UNDP to an identified need for funds allocation pattern to allow more substantive Project completion with rapid approval.

#### **4.2.4 UNDP Comparative Advantage**

The implementation of the Project with the support of UNDP obviously benefitted from UNDP's comparative advantage as a development agency, which relied on its long-standing physical presence of the UNDP Country Office in Bangladesh, with a long period of UN support to the GoB on a wide range of development issues in the areas such as political, governance, social, economic and sustainable development. As a UN agency, UNDP was trusted in Bangladesh as a neutral, impartial, objective, a-political development partner, with an enormous global body of technical expertise and experience in international development.

The UNDP CO had well-established and effective partnerships with relevant central and local government agencies and in-depth knowledge of Bangladesh's laws, policies and procedures. In general, UNDP had extensive experience in capacity development programs and a strong ability to access international expertise in various areas, both from within and outside the UN system.

The overall implementation of the Project was graded as "moderately satisfactory"

#### **4.3 Project Results Toward Outcomes**

The FE team assessed the project results toward outcomes by answering the following five questions.

1. Was the Project relevant to the relevant goals of the Government of Bangladesh, UNDP and other donors' objectives?
2. How effective was the Project to deliver its expected results?
3. How efficient was the Project to achieve its expected result?
4. Did the Project make a contribution to the purpose level of results?
5. How sustainable these achievements will be over the long term.

##### **4.3.1 Relevance**

The Project was relevant and appropriate to national goals and challenges as it responded directly to the National Strategic Plan as already formulated and initiated by GoB. The Project was well aligned with the Strategic Plan. The outputs/outcomes produced by the Project, such as CFF, etc., were all priorities in the Strategic Plan:

Strategic Plan Outcome/Output:

- (SP Outcome 2): Accelerate structural transformations for sustainable development

- (SP Output 2.1.1: Poverty): Low emission and climate-resilient objectives addressed in national, sub-national, and sectoral development plans and policies to promote economic diversification and green growth

The Project provided GoB with additional resources to foster a sustainable basis for identifying, maximising and managing sources and application of funds for financing resilient climate actions. The project also intended to develop climate-related capacity and expertise within Finance Division and create stronger relationships and collaborative partnerships with other major climate stakeholders. The project concept emerged from national priorities to strengthen these areas. The Project was formulated based on a detailed analysis of barriers, issues, capacity gaps and priorities.

The Project was driven by the development needs and priorities of the Government of Bangladesh. The project outputs were not aligned with the development priorities set by the development partners. Thus, it was a demand-driven project. The Project also fitted well with UNDAF for Bangladesh:

- (UNDAF Outcome 2) Enhance effective management of the natural and man-made environment focusing on improved sustainability and increased resilience of vulnerable individuals and groups.
- (UNDAF Output 2.3): Policies adopted to support green initiatives and reflected in the national development plan
- (UNDAF Output 2.5): National and subnational capacity strengthened for generating, collecting and analyzing disaggregated, quality data to monitor SDGs & 7FYP and for informed decision making

The Project supported the development of the PFM of climate finance and a climate policy. The prime focus was given to planning, budgeting, and performance management of climate finance—the project aimed to contribute to economic growth and poverty reduction. The project aims to align with the UN SDGs, UNDP's objectives, and other donors' development objectives.

SDG Goal/Target:

- (SDG Goal 13) Take urgent action to combat climate change and its impacts
- (SDG Target 13.2) integrate climate change measures into national policies, strategies and planning

As one of the country's projects, UNDP supported GoB to meet its obligations for climate policy formulation by providing technical support and capital assistance. It also offered assistance to the government in developing national programmes and in national fund-raising efforts. Finally, the Project's intervention is compatible with other country's, sector's, or institution's interventions.

The overall project was graded as “highly relevant”.

#### **4.3.2 Effectiveness/Overall Result**

The Project had been implemented through 5 components/outcomes. The effectiveness and overall results were assessed against the project's indicators and targets. Table 5 to 9 lists key results achieved by the Project against each expected outcome, using the corresponding targets to measure the effectiveness/progress made. A rating system was utilized to show the extent of progress achieved by outcome (component).

The FE team evaluated the effectiveness/overall results by utilizing both the M&E and actual activities implemented/results achieved to support the rating.

**Outcome/Component 1: Climate Fiscal Framework implementation and management**

The evaluation results of Outcome 1 are summarized in Table 5. Column Output Indicators and Targets were from M&E. Column % of completion/Rationale was verified based on the completion of target and results achieved. Column Rating was a comprehensive assessment of % of completion/rationale for all outputs under each outcome.

As shown in Table 5, 100% of the targets had been reached for Output 1.1, but only 75% for Output 1.2. The overall results of Outcome 1 were graded as “satisfactory”.

**Table 5: Results of Outcome 1**

Outcome/Component 1	Output	Output Indicators	Baseline (Year)	Target (Year)	% of Completion/Rationale	Rating
Climate Fiscal Framework implementation and management	Output 1.1: Fiscal policies (Pricing, taxation and subsidy) reviewed for coherence with BCCSAP objectives and recommendations made on an annual basis as part of MTBS.	Degree of alignment of climate policies with fiscal policies.	0 (2017)	2018: Moderate alignment; 2019: High alignment; 2020: High alignment; 2021: Full alignment	100% (Full integration); fiscal policies reviewed to make tax, VAT, subsidies and pricing policies climate inclusive.	Satisfactory
	Output 1.2: CFF Reviewed and implemented.	1. Degree of Integration of Climate Fiscal Framework (CFF) with Medium Term Macro Economic Policy Statement (MTMPS) component of national Budget Strategy	0 (2017)	2018: Moderate integration; 2019: High integration; 2020: High integration; 2021: Full integration	75% (moderately integration); Climate Fiscal Framework 2020 has been published.	
		2. Degree of recognition of the full range of climate issues (adaptation and mitigation) in Medium Term Budget Framework (MTBF) and Medium-Term Macro Economic Policy Statement (MTMPS).	0 (2017)	2018: Moderate recognition; 2019: High recognition; 2020: High recognition; 2021: Full recognition	75% (moderately integration); the scoping study on Climate Inclusive Insurance Policy has been reviewed by the Technical Advisory Group (TAG) and recommended for acceptance; Climate inclusive Medium Term Macro-economic Framework has been validated.	

**Outcome/Component 2:** Strategic climate change sensitive planning and budgeting management

The evaluation results of Outcome 2 were summarized in Table 6. Similar to the procedures of Outcome 1, the overall results of Outcome 2 was graded as “moderately satisfactory”.

**Table 6: Results of Outcome 2**

Outcome/Component 2	Output	Output Indicators	Baseline (Year)	Target (Year)	% of Completion/Rationale	Rating
Strategic climate change sensitive planning and budget management	Output 2.1: Climate dimension recognised explicitly in Ministry Budget Frameworks of main spending ministries/divisions.	1. % of ministries identified long term costs of climate actions (and prioritised by sector) for inclusion on an annualised basis in Annual Development Programme (ADP) and Medium Term Budgetary Framework (MTBF).	0 (2017)	2018: 65%; 2019: 81%; 2020: 100%; 2021: 100%	80% (81%); the MBFs of 25 Ministries/Divisions having climate relevance have been turned climate inclusive this year	Moderately Satisfactory
		2. % of Ministry Budget identify climate related planned expenditure.	7.5% (2017)	2018: 7.9%; 2019: 8.0%; 2020: 8.5%; 2021: 8.5%	10% (7.52%); Climate Public Finance Tracking in Bangladesh: Approach and Methodology have been disseminated among the wider audience.	
	Output 2.2: Long term costs of climate resilience works identified (and prioritized by sector) for inclusion on an annualised basis in ADP and MTBF.	Macroeconomic Framework operationalised	0 (2017)	2018: Framework approved by GoB; 2019: Framework operationalised; 2020: Results of operation reviewed; 2021: Results of operations reviewed	25% (Framework validated by the stakeholders and submitted for approval); Moreover, climate change has been reflected in the Strategic Policy documents – Medium Term Macroeconomic Policy Statement (MTMPS) and Bangladesh Economic Review (BER) of Finance Division.	

### Outcome/Component 3: Climate public finance governance strengthened

The evaluation results of Outcome 3 are summarized in Table 7. Similar to the procedures of Outcome 1 and 2, Outcome 3 was graded as “satisfactory”.

**Table 7: Results of Outcome 3**

Outcome/Component 3	Output	Output Indicators	Baseline (Year)	Target (Year)	% of Completion/Rationale	Rating
Climate public finance governance is strengthened	Output 3.1 Strengthened climate monitoring by Budget Management Committees (BMC) in key relevant Ministries/Divisions.	Climate dimension embedded in the ToR of BMC	0 (2017)	2018: 0; 2019: embedded; 2020: embedded; 2021: embedded	90% (ToR approved by TAG and submitted to FD for circulation); climate performance audit conducted for two projects for FY2018-19 and two guidelines prepared for conducting	Satisfactory
	Output 3.2 Monitoring mechanism of composition and distribution of climate budget is established by Finance Division to ensure consistency with BCCSAP themes and pro-poor distribution.	Strengthened system in place to deliver, monitor, report on and verify climate finance.	1 (2017)	2018: 2; 2019: 3; 2020: 4; 2021: 4	50% (3); the fourth annual climate budget report was published this year and it was followed by another publication called Bangladesh's Citizens Climate Budget Report with infographics to make sure that the wider audience understand how the government as part of its commitment is responding to the risks and challenges arising from the adversities of climate change by allocating resources through the national budget.	
	Output 3.3 Climate Finance linkages to accounting and performance Audit system established at Comptroller and Auditor General (C&AG) office.	Number of completed pilot climate performance audit in climate sensitive investments/projects/programmes	0 (2017)	2018: 2 audits; 2019: 4 audits; 2020: 6 audits; 2021: 6 audits	60% (2 completed and 2 more undertaken); Climate performance audit training has been delivered to mid-level cadre officers of OCAG	
	Output 3.4 Accountability of climate finance strengthened at Parliamentary level.	Number of climate performance audit reports presented before parliament	0 (2017)	2018: 0; 2019: 2; 2020: 4; 2021: 4	25% (1 approved by the auditor General which is ready for transmission to the Parliament); The Climate Budget Report for FY 2017-18 titled "Climate Protection and Development" was published and presented to the parliament during the Budget Session on 01 June 2017.	

**Outcome/Component 4:** Strengthening Finance Division’s coordination roles in climate public finance management

The evaluation results of Outcome 4 were summarized in Table 8. Similar to the procedures of Outcome 1, 2 and 3, Outcome 4 was graded as “moderately satisfactory”.

**Table 8: Results of Outcome 4**

Outcome/Component 4	Output	Output Indicators	Baseline (Year)	Target (Year)	% of Completion/Rationale	Rating
Strengthening Finance Division coordination and climate public finance management roles	Output 4.1 Institutional mechanism strengthened to steer implementation of National Climate Fiscal Framework, Inter-ministerial coordination, and co-ordination between National and Local Government led by Finance Division	Climate finance mainstreamed in PFM systems and processes	0 (2017)	2018: 1; 2019: 2; 2020: 3; 2021: 3	33% (1); Provide support to Committee meetings (BMRC & Coordination Council) in relation to climate finance; the project manager of IBFCR project actively took part in the international climate conference COP 24 and shared Bangladesh’s contribution to implementing climate change agenda sat out in UNFCCC and SDGs.	Moderately Satisfactory
	Output 4.2: Supply side of the climate finance is better predicted and recognized transparently in MTBF and National Budget.	scenarios developed for future revenue	0 (2017)	2018: 0; 2019: 0; 2020: developed; 2021: developed	0% (no development); Assistant Project Director (APD) of IBFCR project took part in the international climate conference COP 25 held in Madrid in December 2019	
	Output 4.3 Bangladesh’s leadership on climate public finance management recognized in national, regional and international forum.	Degree of recognition of Bangladesh’s leadership on climate public finance management in national, regional and international forum	0 (2017)	2018: Moderately recognised; 2019: Adquately recognised; 2020: Highly recognised; 2021: Highly recognised	50% (adequately recognised); a Deputy Secretary from Finance Division joined a webinar organised by Bangkok Reginal Hub (BRH) on green budgeting and an official from OCAG, attended a virtual seminar organised by Independent Evaluation Office (IEO) where he shared Bangladesh’s	

**Outcome/Component 5:** More effective planning and budgeting for climate change finance at the local level

The evaluation results of Outcome 5 were summarized in Table 9. Similar to the procedures of Outcome 1, 2, 3 and 4, Outcome 5 was graded as “moderately satisfactory”.

**Table 9: Results of Outcome 5**

Outcome/Component 5	Output	Output Indicators	Baseline (Year)	Target (Year)	% of Completion/Rationale	Rating
More effective planning and budgeting for climate change finance at local level.	Output 5.1 Strengthened role of Local Government Division and Union/Upazillas in the integration of climate change finance in planning and budgeting at national and local levels	Number of technical briefs prepared on financing local adaptation by LGD and FD	0 (2017)	2018: 2; 2019: 2; 2020: 2; 2021: 2	0% (0); a near-final draft on local climate financing framework (LCFF) was prepared using inputs received from various stakeholders.	Moderately Satisfactory
	Output 5.2 Climate sensitive planning and budgeting established/strengthened at Union /Upazilla and Pourashava level in 9 (nine) localities of Bangladesh.	Availability of comprehensive information database about all sources of funding (budgetary and extra-budgetary) for LGIs related to CC in relevant Divisions in Ministry of Local Govt. and Rural Development Cooperatives (MLGRDC)>	0 (2017)	2018: 1; 2019: 2; 2020: 3; 2021: 3	0% (0); A partnership has been built with local Government Initiatives on Climate Change (LoGIC) project to scale up the IBFCR piloting results on local CFF cross the local government institution.	
	Output 5.3 Climate Resilience Grants (CCTF/Others) are linked for climate resilient planning and budgeting at local government level.	Number of LGIs practices to track their budget for climate expenditure	0 (2017)	2018: 2; 2019: 5; 2020: 10; 2021: 10	0% (0); two pilots have been spearheaded to localize the CFF, partnership with LoGIC project established and the project's information disseminated at the Development Fair 2018.	

The review of results above suggested that the Project was able to achieve what it intended to achieve for some outcomes, but not for other outcomes. Thus, it was effective for Outcomes 1 and 3, not so effective for Outcomes 2, 4 and 5.

The overall effectiveness of the Project was graded as “moderately satisfactory”.

### 4.3.3 Efficiency

It was difficult to assess the efficiency of a complex project like this one, the assessment of all elements associated with the Project did not make sure that the Project was an efficient one that created good value for money. It has been found that, while having some very insightful output and positive changes has brought in the policy level of government, there are a few implementation gaps as well. For instance, it spent its funds on a much reduced number of outputs directly related to Outcomes 2, 4 and 5. All other outputs which would have meant working with partners, were left out, apart from some nominal works for a limited period.

Also, some of the staff of the Project implementation team were from government agencies, which shows that they might not be able to concentrate on the Project and their regular responsibilities. This arrangement did not provide a stronger link between the Project, UNDP and Finance Division. Thus, the efficiency was not ensured though strong utilization of commitment and support from the Project implementation team.

The review of the Annual Work Plan (AWP) for the last few years suggested that they were not in detail for Project implementation. As such, the utilisation of the resources was not generally guided by the approved AWP in line with desired project outputs and outcomes. In addition, FE team could not confirm whether the UNDP CO periodically participated in project-related meetings including the Board meetings and the Project Steering Committee (PSC) meetings. Lack of these mechanisms further leads to the inefficiency of the Project.

More importantly, the Project was delayed for at least one year. The FE team could not confirm whether the delay in the timely delivery of project outputs was caused by unsatisfactory procurement and disbursement or other issues as no evidence is reported in the project IMED, annual reports. Based on the UNDP evaluation guidelines, the FE should cover an overall assessment of the financial aspects of the Project. The Project financial data is from annual reports from 2017 to 2020.

Table 10 presents the overall Project expenditure against both the planned budget from the annual reports for the period 2107 through 2020. It shows overall expenditure rates of 37.2% in 2017, 24.8% in 2018, a reduction to 24.7% in 2019 and a further reduction to 13.3% in 2020. This represented a significant surge in implementation activity (or in a rush to conduct the Project activities) at the early phase of project life. For each year, except for 2017, the actual expenditure amount is greater than the budgeted amount by 113% in 2018, 106% in 2019 and 103% in 2020 respectively, suggesting the budgeted amount was conservatively estimated for the last three years. Consequently, the total amount of expenditure exceeded the total amount of budget by 105%. Monthly Progress Reports (IMEDs) and Annual reports provided little information about annual financial audits.

**Table 10: Project Financial Statement**

Activity	2017			2018			2019			2020			Total		
	Approved	Expenses (U\$ Budget)	Expenses (U\$ Budget)	Approved	Expenses (U\$ Budget)	Expenses (U\$ Budget)	Approved	Expenses (U\$ Budget)	Expenses (U\$ Budget)	Approved	Expenses (U\$ Budget)	Expenses (U\$ Budget)	Approved	Expenses (U\$ Budget)	Expenses (U\$ Budget)
<b>Atlas Activity # 1: Climate</b>															
Fiscal Framework	229,973	232,219.97	101%	132,346	147,777.00	112%	130,122.57	159,957.93	122.92%	62416	50,577.08	81.03%	554,857.52	590,531.98	106%
<b>Atlas Activity # 2: Strategic</b>															
Climate Change Sensitive	157,443	160,476	102%	75,043	85,816	114%	67,152.82	66,502.55	99.03%	59850	41444.01	69.25%	359,488.82	354,238.18	99%
<b>Atlas Activity # 3: Climate</b>															
Public Finance Governance is	121,824	114,144	94%	76,305	74,894	98%	65,137.36	57,471.50	88.23%	31300	39168.8	125.14%	294,566.36	285,678.76	97%
<b>Atlas Activity # 4:</b>															
Strengthening Finance	65,590.00	56,518.42	86%	1,000.00	621.00	92%	9,466.00	7,669.26	81.01%	1000	112.51	11.25%	77,056.00	64,921.19	84%
<b>Atlas Activity # 5: More</b>															
effective Planning and	0	0	0.00%	897	828	92%	5,000	0		14,000	5001	35.52%	19,897.00	5,829.00	29%
<b>Atlas Activity #6: Technical</b>															
Assistance and Management	148,680	156,969.28	106%	139,409	170,378.00	122%	173,122	185,788.31	107.31%	81,134	121476.41	149.17%	542,345.23	634,612.00	117%
<b>Total</b>	<b>723,510</b>	<b>720,328</b>	<b>100%</b>	<b>425,000</b>	<b>480,314</b>	<b>113%</b>	<b>450,001</b>	<b>477,390</b>	<b>106%</b>	<b>250,000</b>	<b>257,780</b>	<b>103%</b>	<b>1,848,211</b>	<b>1,935,811</b>	<b>105%</b>
		37.2			24.8			24.7			13.3			100	

Provided that a low rate of the expected outputs was achieved as planned in the project documents relative to staff, time and budget constraints, and there was a long period of delay, the Project's overall efficiency was graded as “moderately unsatisfactory”.

#### 4.3.4 Impact/Attainment of Project Objective

The Project has achieved its intended outcomes to some extent as discussed above. However, the Project life covering only 4 years might be too short to measure any lasting results from the Project: Inclusive Budgeting and Financing for Climate Resilience. If the CFF/other frameworks and policies were actually implemented and realized, it was likely to impact the country's climate finance and economy significantly, moving Bangladesh toward being a pioneer country in best practice climate finance policies, capacity and sustainable development in the region. Apparently, It should be noted



that Climate Fiscal Framework has recently been updated in 2020, therefore, it is understandable that the project got very limited time for implementation purposes.

Table 11 illustrates the key impacts which are measured by a list of achievements against the expected goals/objectives. As the goals/objective indicators during the implementation were consistent with those in SDG, SP, UNDAF, the impacts were evaluated based on the quantity and quality of achievements against the objectives in SDG, SP and UNDAF. The results revealed that the Project was implemented successfully and had produced the significant impacts planned at the outset of the Project.

**Table 11: Impacts of the Project**

Goal/Objectives	Output	Output Indicators	Baseline (Year)	Target (Year)	Achievements	Rating
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 GoB's Climate Fiscal Framework	SDG Goal 13: Take action to combat climate change and its impacts.	SDG Target 13.2: Integrate climate change measures into national policies, strategies and planning.			100% (Full degree of alignment of climate policies with fiscal policies.) ; 1.Climate Fiscal Framework (CFF), 2020; 2.The Climate Budget Report 2017-18, 2018-19, 2019-20, 2020-21	Significantly
	SP outcome 1: Growth and development are inclusive and sustainable, incorporating productive capacity that creates employment and livelihoods for the poor and exclusive.	SP output 1.4: scale up action on climate change adaptation and mitigation across sectors, which is funded and implemented.			3.Citizens Climate Budget Report for FY 2019-20 and FY 2020-21 4.Bangladesh Climate Public Expenditure and Institutional Review (BCPEI); 5.Climate Public Finance Tracking: Approach and Methodology 6.Generic Criteria for Climate Performance Audit 7.Guidelines for Planning Climate Performance Audit 8.Training Manual on Climate Performance Audit Planning 9.Local Climate Financing Framework for Union Parishads (LCFFUP); 10.Climate Change Glossary, 2021	
	UNDAF outcome 2: Enhance effective management of natural and made environment focusing on improved sustainability and increased resilience of vulnerable individuals and groups.	UNDAF output 2.3: Policies adopted to support the green initiatives and reflected in the national development plan.				
		UNDAF output 2.5: national and subnational capacity strengthened for generating, collecting and analysing disadvantageous, quality data to monitor SDGs and 7 YFP and for informed decision making.				

The Project had a significantly positive impact on the rationalization of the Public Financial Management (PFM) of climate finance by implementing the GoB's Climate Fiscal Framework when assessing the key achievements as presented in Annex 6 against the indicators of the goals/objectives. Bangladesh is now better off with its climate public finance policy because of the Project. In particular, the Project developed a package of knowledge products associated with the rationalization of the Public Financial Management (PFM) of climate finance.

The Project had a significantly positive impact on introducing a climate policy-based focus to planning, budgeting and performance management of climate finance by implementing the GoB's Climate Fiscal Framework when assessing the capacity against the indicators of the goals/objectives. In particular, the impacts of the Project on the capacity of FD through the actions are shown below:

- The Individuals capacity was strengthened in M&E through Project implementation.
- The institutional capacity was enhanced as shown in the establishment of the Project implementation team in FD to respond to emerging climate finance issues.
- The Project's planning, management, and coordination system was improved through Project implementation team, Project Board, and PSC.

In general, the Project had achieved its intended outputs and outcomes through planned activities and had produced a significant impact. For some outcomes, the Project has extended and surpassed targets originally defined in the project documents. For example, the Project produced a package of knowledge products such as Citizens Climate Budget Reports and Climate Public Finance Tracking: Approach and Methodology. Following are examples of unintended positive impacts of the Project.

The overall impact of the Project was graded as "significant".

#### **4.3.5 Sustainability**

Overall, the Project contributed significantly to Bangladesh's long-term sustainable climate finance policy and capacity development. As suggested in the monthly progress reports and annual reports, the Project produced a wide range of high-quality knowledge outputs across most outcomes. These outputs, particularly the updated CFF, formulated and implemented by the Project, would guide the national climate finance development agenda beyond the Project period.

The project management arrangements also contributed to the national ownership. The Project implementation team was proposed to be a permanent agency within Finance Division under the Ministry of Finance to sustain the gains achieved by the Project. The establishment of the Project Board and the PSC enhanced the participation of various stakeholders in the project-related matters, and thus ensured ownership during the project implementation.

The overall sustainability of the Project was graded as "likely".

#### **4.3.6 Risk Assumption Analysis**

The 6 types of risks (Table 12), on the other hand, were partially identified throughout the project design, and their mitigation measures, as well as the assumptions made, were inadequate. They were partially unable to address the key risks associated with the Project's implementation.

As an example, "SPEMP (Strengthening Public Expenditure Management Programme) efforts are closed or slow down, so it was unable to deliver certain core capacities completely" was clearly not the most significant risk associated with the project's implementation, as SPEMP was only a program, not a key output. Other concerns, such as "institutional settings such as Advisory Committees are not in place," "Loss of important Finance Division workers due to posting or promotion," and "Loss of key Line

Ministry personnel owing to posting or promotion," were just institutional arrangement issues, not critical hazards.

Furthermore, even though this set of risks had been recognized, evaluating the progress reports (IMED and yearly reports) revealed that the management of these risks had not been as effective as it should have been, owing to poor risk identification and related measures. The significant risks identified were incompletely referenced in the monthly implementation progress reports and yearly reports, implying that risks were not timely assessed and handled during the project execution.

Further, despite this set of risks being identified, when reviewing the progress reports (IMED and annual reports), it seemed that the management of these risks was not as it should have been probably due to inappropriate identifications of risks and associated measures. The monthly implementation progress reports and annual reports seldom mentioned the major risks identified, suggesting that risks were not timely monitored and managed during the project implementation.

**Table 12: Types of Project Risk during the Design Phase**

#	Description	Date Identified	Type	Impact & Probability	Countermeasures/Management response
1	SPEMP efforts are closed or slow down so it fails to deliver certain core capacities	August 2014	Organizational and Political	Inclusion of Climate Change into 'Overall Classification Table' might fail. Probability= 2 Impact= 2	If the classification table take longer time than 2015, the project will develop a budget tracking method based on existing classification table. There is example of tracking Gender budget and expenditure in current practice, a similar measure will be taken for tracking climate expenditure under existing iBAS platform. A sample Climate Expenditure Tracking Framework (CETF) is demonstrated in the Climate Fiscal Framework.
2	Institutional settings such as Advisory Committee etc. are not in place	August 2014	Organizational	Limited ownership by Finance Division of the agenda and limited sustainability of capacity development activities Probability=2 Impact=3	Dialogue between Finance Division and UNDP senior management during the inception phase Proactive technical advice by the Project Team on how institutional restructuring could enhance FD's performance Clear project plans developed during inception
3	Loss of key Finance Division personnel due to posting or promotion	August 2014	Organizational	The project outcomes are not sustainable Probability=3 Impact=4	Interaction with Career Planning Wing of Ministry of Public Administration
4	Loss of key Line Ministry personnel due to posting or promotion	August 2014	Organizational	The project outcomes are not sustainable Probability=4 Impact=4	Interaction with Career Planning Wing of Ministry of Public Administration
5	Weak interactions/ coordination among the PFM projects	August 2014	Organizational	Effectiveness of the planning process depends on adequate coordination of government agencies notably with FD, ERD, IRD, PC, IMED and others Probability=3 Impact=4	Regular interaction with Steering Committees. Common understanding of respective roles promoted and understood Regular cross-project consultation

6	Absence of political buy-in due to change in Government	August 2014	Political	Political level endorsement of the initiative is a cornerstone. <b>Probability-Unknown</b> Impact-4	Financial and economic benefits must be established at an early stage of the project
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#### 4.4 Cross-cutting Issues

Gender equality and inclusivity are not the OECD-DAC standard evaluation criteria. However, the FE considers these as criteria provided that one of the Project's main objectives is inclusivity. The FE team assessed the Project against (i) interventions/activities for women and other vulnerable groups; and (ii) mainstream women and vulnerable groups in all activities and outputs. The assessment identified that the project team developed a Gender Action Plan for 2020. This action plan focused on gender equality and its role in climate finance that aims to:

- Ensure Better integration & mainstreaming of GE in all projects and programmes;
- Support monitoring of gender-specific indicators and achievements;
- Create a safe workplace; and
- Compliance with UNDP's Gender Equality Seal

However, no piloting initiative was found to target women's participation in similar projects.

Table 13 summarizes the evaluation results against criteria with justifications.

**Table 13: Evaluation Results**

Project Element	Rating	Justifications
<b>Project Design</b>	<b>Highly Unsatisfactory</b>	The goals/objectives, outcomes, outputs, activities, indicators and targets in the RRF were not generally well designed. The types of risk were not well identified. The gender-related issues were not addressed in the project design. The stakeholders were not identified and consulted in project design. The updated M&E plan was not consistent with the original RRF.
<b>Project Implementation</b>	<b>Moderately Satisfactory</b>	The NIM and PSC, Project Board and project implementation team generally worked well. The Project stakeholders exhibited a strong capacity for adaptive management in response to changing circumstances. However, most staffs in the project implementation team were government officials. The project outputs were not delivered following AWP's in some cases. In addition, there was an unacceptable around 24-month delay as the planned end date was May 2019.
<b>Relevance</b>	<b>Highly Relevant</b>	The Project was relevant to (or consistent with) national development goals, intended outcome/output in the strategic plan, UNDAF, and UN SDGs.
<b>Effectiveness</b>	<b>Moderately Unsatisfactory</b>	The Project was able to achieve what it had intended to achieve for Outcome 1 and 3, but not for Outcome 2, 4 and 5, and thus was effective only for some outcomes as % of target completion ranged from 0% to 100%, depending on the outputs.
<b>Efficiency</b>	<b>Moderately Unsatisfactory</b>	The Project was, in general, not efficient. There was a delay in the timely delivery of project outputs in some cases, as reported in the project documents and consultations. The Project had been delayed by around 2 years.
<b>Impact</b>	<b>Significantly</b>	The Project contributed to the achievements of intended results and had significant impacts on the rationalization of

		the Public Financial Management (PFM) of climate finance and introduction of a climate policy-based focus to planning, budgeting and performance management of climate finance by implementing the GoB's Climate Fiscal Framework. Bangladesh is now better off with its climate public finance policy and capacity because of the Project.
<b>Sustainability</b>	<b>Likely</b>	The Project contributed significantly to Bangladesh's long-term sustainable climate finance policy and capacity development. As suggested in the monthly progress reports and annual reports, the Project produced a wide range of high-quality knowledge outputs across most outcomes. These outputs, particularly the updated CFF, formulated and implemented by the Project, will guide the national climate finance development agenda beyond the Project period.
<b>Overall Rating</b>	<b>Moderately Satisfactory</b>	All above

## 5. CONCLUSIONS AND LESSONS LEARNED

### 5.1 Conclusions

The analysis of the findings above lead to the following major conclusions:

1. The project goals/objectives were not well designed, although they were fully consistent with the national development goals and strategic plan, UNDAF for Bangladesh, UN SDGs and other donors' objectives. (Project Design)
2. The Project addressed some of the critical policy and capacity gaps associated with public financial management and planning, budgeting and performance management of climate finance and priorities that were initially identified for Bangladesh. (Project Design)
3. The RRF did not provide a good instrument for Project implementation and M&E during the design and inception phases. The RRF was not well equipped with a clear logical chain from indicative activities, outputs, outcomes and goals/objectives. (Project Design)
4. The M&E plan during the design phase did not provide a good tool for Project measurement and verification of results but was significantly improved during the inception phase. The original M&E plan was not well equipped with a clearly logical chain from outputs to indicators and to targets, it was not sufficient or adequate in many cases to measure the progress or verify the achievements for some outputs/outcomes. More importantly, the updated M&E plan in the Inception Report was not consistent with the RRF. (Project Design)
5. UNDP and Finance Division worked as qualified adaptive and responsive partners to environmental and internal changes during the implementation of the Project. UND'sP long-term physical presence and partnership with the GoB, strong technical capacity and accountability of its staff for results were recognized as the crucial elements for the successful implementation of the Project. The NIM with UNDP support generally worked well for the Project (Project Implementation)
6. The Project ensured alignment between its goals/objectives with the national development goals, strategic plan and the priorities in the areas of climate public finance policy and related capacity development in Bangladesh. The Project was able to provide assistance to the Finance Division by addressing the most urgent needs in formulating and implementing climate public finance policies and the capacity for the long-term development. (Relevance)
7. The Project was not implemented as effectively as expected in delivering planned results as the results in some areas did not contribute to policies and capacity changes beyond planned benefits. As a consequence, both activities that have not been undertaken and outputs that have not been achieved need to be completed through a post-Project. (Effectiveness)
8. The Project was in general inefficient, and the support from UNDP country office might not be adequate in some cases. The delay in delivery of project outputs in some cases lead to the unsatisfying performance of Project implementation. (Efficiency)
9. The Project contributed to the achievement of intended results and had significant impacts on the rationalization of the Public Financial Management (PFM) of climate finance and introduction of a climate policy-based focus to planning, budgeting and performance management of climate finance by implementing the GoB's Climate Fiscal Framework. Nevertheless, the real impacts of the Project will depend on the extent to which the CFF and policies developed by the Project are actually implemented and realized. (Impact)

10. The Project was sustainable as it made contributions to a wide range of high quality knowledge products across most outcomes and long-term capacity development of Finance Division. These products, particularly the CFF, formulated and implemented by the Project will guide the national climate finance development agenda after the Project ends. However, many of the most important outputs that have been produced by the Project need to be finalized and fully implemented by Finance Division and additional resources need to be provided for a post-Project. (Sustainability)

11. The Project activities were available to facilitate the awareness of the complexities of gender equality during the implementation. In particular, the Project developed the Inclusive Budgeting and Financing for Climate Resilience (IBFCR) Project Gender Action Plan for 2020, which provided support for mainstreaming gender issues through its activities. Nevertheless, there was still a demand for designing inclusive gender-specific logical chain targeting the empowerment of women during the Project design. (Cross-cutting Issue).

## 5.2 Lessons Learned

Through the above analysis, the following were the core lessons learned.

1. There is a greater chance for a project to be successful if it has a well-designed RRF and M&E plan. In particular, an effective activity, output, and outcome in the RRF and a good design of results, indicators and targets in the M&E plan are helpful. This was not the case for this Project, these are the preconditions for successful implementation of the Project. (Project Design)

2. More importantly, the results, indicators and targets in the M&E plan should be consistent with activity, output, and outcome in the RRF, which was not the case in the Project. Any updates on the results, indicators and targets should consider the updates on activities, outputs and outcomes, and vice versa. (Project Design)

3. Possessing strong partnership with the regular involvement and oversight of UNDP and professional staff in the PMU/project implementation team (which was not the case in the Project) contributed to good results during the implementation of the project and proved to be an excellent operational model. (Project Implementation)

4. Adaptive management is an important management instrument for ODA projects. It provides the necessary flexibility to assess and change the approach to implement the Project and guarantee the project outcomes while sticking to the original project plan. (Project Implementation)

5. A project that acknowledges and meets the clear needs and priorities of a national partner is normally highly relevant. Prompt response to and is in line with the development needs and priorities of the national partner are among the most essential elements that have successfully contributed to the realised results. (Relevance)

6. A national project requires a more coherent and systematic M&E system against outcomes, outputs, indicators and target that helps ensure its effectiveness. (Effectiveness)

7. A well-functioning PSC/Board as an executive agency and a professional Project Management Unit (PMU) as an implementing agency will ensure project efficiency. The PSC/board supervises the project by providing strategic direction and guidance while PMU manages the project by undertaking routine daily activities. (Efficiency)

8. Formulation of the Climate Fiscal Frameworks at both the national and local levels and integration into the national strategic plan is neither a simple nor a linear process due to its combination with political agendas. A project timeframe is too short to fully implement and achieve the project results before the Project ends. It does not give enough time contingency for the risks associated with changing environments. (Sustainability)

9. To achieve the real impact of the Project, the Project should have its unique goals associated with several objectives with indicators so that the Project can clearly identify its contributions to the achievement of intended results. (Impact)

10. It is essential that cross-cutting based expected results be part of the project activities, outputs and outcomes with clear indicators in the RRF as well as part of reporting requirements so as to guarantee the mainstreaming of the cross-cutting issue in a project. (Cross-cutting Issue)



## 6. RECOMMENDATIONS

Based on the analysis of the findings above, the major recommendations are presented below.

1. The Project should consider the logical chain between activities, outputs and outcomes as this chain provide a useful tool for managing the project implementation for future project design. More importantly, any updates on this logical chain should consider the updates on another logical chain below. (Project Design)

2. The Project should consider the logical chain between the results, indicators, and targets as this chain offer a powerful instrument for monitoring and evaluating the project performance for future project design. Any updates on the results, indicators and targets should consider another logical chain above. (Project Design)

3. The Project should replace the current project implementation team with a professional PMU, which should include at least one staff in project/programme management for future project implementation. In addition, two external consultants should be recruited as needed to ensure the implementation of activities. This approach will allow Bangladesh – as a country - to develop greater technical expertise in the country and some instances, provide opportunities for developing new expertise areas. A professional PMU will resolve the delay and other implementation issues. (Project Implementation)

4. The Project should focus on the components/outcomes that are highly relevant to the objectives of the Project and UNDP. More importantly, the Project should concentrate on the CFF related policy formulation and implementation. (Relevance)

5. The Project should complete the activities in other components/outcomes, particularly Outcome 2, 4 and 5. As shown above, for each output, there is % of targets that have not been achieved. As such, the Project should close the gap before the end of the project to enhance its effectiveness of the Project. (Effectiveness)

6. The Project should be implemented by better following the AWP so as to ensure that the limited resources and timeframe can be better aligned with the objectives and scope of the Project for future project implementation. (Efficiency)

7. To scale up the impact, the Project should provide high priority to fully implement all key outputs which have been released but have not yet been fully implemented, particularly the implementation of CFF and other important knowledge products. (Impact)

8. The Project should consider the measures below to implement the exit strategy for the Project. (i) The staff in the Finance Division and other divisions under the Ministry of Finance, who were highly involved in the project activities, should be enabled to have a full understanding of the major project knowledge outputs. (ii) The priorities in the frameworks and policies should be mainstreamed into Finance Division and other divisions in the Ministry of Finance and other Ministries' Annual Work Plans frequently. (sustainability)

9. Many of the key outputs produced by the Project remain to be finalized and fully implemented by Finance Division under the Ministry of Finance. To ensure that the Project activities to date have the intended beneficial impact, it was essential that additional resources be provided for a post-Project to enable the much-needed operationalization and realization. (Sustainability and Impact)

10. The demand is still very high to ensure the effective mainstreaming of gender within the Ministry of Finance and other ministries in Bangladesh. The Project should design the activities to foster women's empowerment and gender mainstreaming within the Ministry of Finance, such as capacity building for female employees to increase their participation in decision-making and policy formulation associated with climate finance. More importantly, the Project should include more elaborate gender-specific indicators and targets in the logical framework, M&E Plan, and in the preparation of progress and annual reports. (Cross-cutting Issue)