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Building Resilience to Address Climate Change



The Government of Bangladesh has put in place an innovative mechanism to channel US\$ 110 million or more in grant funds to millions of Bangladeshis in order to build their resilience to the effects of climate change.

The ground-breaking **Bangladesh Climate Change Resilience Fund** was established on 31 May 2010 with the signing of a Memorandum of Understanding between the Government and five development partners. The Fund will support implementation of Bangladesh's Climate Change Strategy and Action Plan for 2009-2018, by supporting vulnerable communities in adapting to greater climate uncertainty and changing agricultural conditions.

The Fund will be managed and implemented by the Government of Bangladesh, with initial contributions from Denmark (US\$ 1.6 million equivalent), the European Union (US\$ 10.4 million equivalent), Sweden (US\$ 11.5 million equivalent) and the United Kingdom (US\$ 86.7 million equivalent). The World Bank will provide technical support for implementation by Government and ensure that due diligence requirements are met.

Upon signing on behalf of Government, **Musharraf Bhuiyan, Secretary of the Economic Relations Division**, noted *'This sets a good example for development partners to align to the highest priorities of our country and provide additional resources to address climate change as pledged in Copenhagen last year. Given the magnitude*

of our adaptation and mitigation needs, we hope these initial contributions will encourage support from other partners.'

World Bank Country Director, Ellen Goldstein, indicated: *'In coming years, we will be scaling up our Bangladesh portfolio aimed at reducing vulnerability to climate change and natural disasters. This Fund will be a complementary activity, in which we provide technical support while ensuring that projects are implemented with due regard for economy, efficiency and effectiveness. Care has been taken to strengthen country ownership, which will be the key to successful implementation.'*

Speaking on behalf of the contributing development partners, **Chris Austin, Country Representative for the UK Department for International Development**, said *'This mechanism puts the Government firmly in control in directing external aid to the country's highest priorities. It provides new grant money for adaptation and mitigation, and it demonstrates Bangladesh's leadership in the global challenge to combat the effects of climate change. We look forward to seeing our pledges transformed into tangible results as soon as possible'*.

The Fund will have a two-tiered governance structure, consisting of a Governing Council and a Management Committee, both of which will be chaired by the Government of Bangladesh, and include representatives from line ministries, development partners and civil society.

Signatories to the Memorandum of Understanding include the Government of Bangladesh, Government of the United Kingdom, Government of Denmark, Government of Sweden, the European Union and the World Bank.