

Revised

**Country Specific Information: Bangladesh
U.S. Agency for International Development
Office of Food for Peace**

**Fiscal Year 2015: Title II Request for
Applications Title II Development Food
Assistance Project**

USAID's Office of Food for Peace (FFP) intends to award up to four five-year cooperative agreements with the goal of improved gender equitable food security, nutrition and resilience of vulnerable people within Bangladesh. The total anticipated funding for this new development food assistance project is \$180 million (all resources) over a five-year period, subject to the availability of funds and commodities. Applicants must submit an application that (1) includes all or some of the geographic areas discussed within the country specific information (CSI); or (2) includes all or some of the geographic areas except the Chittagong Hill Tracts region (CHT); or (3) focuses exclusively on CHT (see funding limitations for CHT below). Applications can include variable annual funding levels over the life of activity, but the total amount awarded will not exceed \$180 million. The above-mentioned goal will be accomplished by achieving three objectives: 1) Increased equitable access to income and nutritious food for both males and females; 2) Improved nutritional status of children under five years of age, pregnant and lactating women and adolescent girls; and 3) Strengthened gender equitable ability of people, households, communities, and systems to mitigate, adapt to and recover from man-made and natural shocks and stresses.

Potential awardees should refer to the FANTA Food Security Country Framework for Bangladesh 2015-2019¹, the Bellmon Estimation Studies for Title II (BEST) report² on Bangladesh¹ for background information on the unique situation related to food security, health, nutrition and exposure to shocks and stresses in Bangladesh. Applicants should also note that draft evaluations for the current FFP development projects will be posted on the Food Assistance Fact Sheet in the Country Specific Information section (<http://www.usaid.gov/bangladesh/food-assistance>). Potential awardees should understand that justifiable, strategic and innovative approaches to achieving the stated goal and objectives are encouraged and will be considered on their merit, even if they may deviate from the guidance here, in the Request for Application (RFA), the Bangladesh Food Security Country Framework or the BEST report. Particular attention should be paid to development challenges resulting from Bangladesh's high vulnerability to climate change, unique geophysical environment combined with a dense population, limited property rights and tenure, high levels of chronic and acute malnutrition, inequalities between males and females, early marriage, and limited social accountability and governance environment. For example, crops grown in Bangladesh (grains, oil seeds, spices) for the production of food and food-processing activities are highly

¹ http://www.usaid.gov/sites/default/files/documents/1866/Bangladesh%20_FSCF_FINAL.pdf

² http://usaidbest.org/docs/Bangladesh_2014_Report.pdf

vulnerable to mycotoxin contamination, which is increasingly being linked to stunting³, with arsenic exposure from water also potentially affecting children's growth⁴.

Investment in the Future and Cross-Cutting Themes

The goal of the project is to effect enduring change in the target communities by addressing immediate needs while investing in the future of food security and resilience in Bangladesh. Applicants' theory of change should aim to identify the systemic and behavioral conditions necessary to achieve this change, as well as how immediate assistance contributes to the process. Investment in governance, gender equality, and youth development should be used as building blocks in developing strategies to achieve the stated goal. Youth are to be targeted. They should be included in every facet of the project, from livelihoods development to improving maternal and child health and nutrition, and capacity building to effectively manage food security shocks. These youth will form the foundation of the country's progress, as Bangladesh is projected to have 43 percent of its population under the age of 30 by 2025.

A social accountability approach should be applied to ensure that vulnerable populations understand their rights and responsibilities and are empowered to demand for and gain access to quality public and private services. The role and accountability of institutions is important to building resilience in these populations - including private, public and PVO-managed systems - by ensuring delivery of demand-led, high quality services at an affordable price.

Gender inequality and women's disempowerment in Bangladesh - as seen by widespread practice of early marriage, subsequent pregnancy during adolescence, and lack of ability of women and adolescent girls to make decisions regarding their own or their child's healthcare - adversely affect children's nutritional status. They also affect women's ability to seek health care or provide optimal care for themselves and their children⁵. Applicants' theories of change should take into consideration the issues related to gender inequality, by engaging men, women, elders and youth to become active agents for gender equality. This entails recruitment of men, elders and youth to engage on areas that are typically considered female issues, such as, but not limited to, infant and young child feeding, household nutrition, early marriage and adolescent pregnancy. The gender activities should work to not only improve gender equality through female empowerment, but also to empower men, elders and youth to become champions for transformation.

The significant impacts of climate change on the population and geo-physical environments of *char*, *haor* regions, the Chittagong Hill Tracts and the Southwest Coastal region are already being felt. Issues related to food insecurity need to be analyzed within this context.

³ Prendergast, AJ and Humphrey, J. 2014. The Stunting Syndrome in Developing Countries. Paediatrics and International Child Health 2014 VOL. 34 NO. 4 pp. 250-265

⁴ Sultan Ahmed, Rokeya Sultana Rekha, Khalid Bin Ahsan, Mariko Doi, Margaretha Grandér, Anjan Kumar Roy, Eva-Charlotte Ekström, Yukiko Wagatsuma, Marie Vahter, Rubhana Raqib. 2013. Arsenic exposure affects plasma insulin-like growth factor 1 (IGF-1) in children in rural Bangladesh PLoS One 2013;8:e81530

⁵ National Institute of Population Research and Training, Mitra and Associates, Measure DCH ICF International. 2013. Bangladesh Demographic and Health Survey 2011.

Applicants' theories of change should identify the necessary outcomes needed to mitigate, adapt to and recover from climate change shocks and stresses.

The project should explore innovative but practical ways to create or strengthen sustainable and meaningful governance linkages all the way from the central to the union level between participating groups and local leaders, public and private service providers, civil society members, government extension services, input vendors, and family planning and health workers. The project should employ a participatory planning process at the village level to ensure that community priorities are reflected in the project plan and strategy. The project should involve communities as active participants instead of passive participants.

FFP seeks to maximize long-term impact through establishing effective sustainability and exit strategies adapted to the specific contexts of the targeted communities in Bangladesh. These strategies build capacity of host country entities, whether private or public, to achieve long-term success and stability and to serve their clients without interruption and without reducing the quality of services after external assistance ends. FFP holds that sustained resources; capacity (both technical and managerial); improved governance and civil society engagement; motivation (investments instead of entitlements); and linkages to the private sector, markets and to other development entities are crucial to long-term sustainability. FFP seeks to create, wherever possible, self-financing and self-transferring models that will continue to spread to under their own momentum to others who benefit indirectly from the project both during and after the project by being adopted and adapted by a significant proportion of the population.

Integrated Programming for Multiple Objectives

The causes of undernutrition are multi-sectoral. In order to maximize benefits, interventions should support the achievements of multiple objectives as much as possible. For example, safety net work activities should not only provide income or food during periods of food insecurity, but also focus on building or repairing community assets such as: roads or agriculture collection centers for improved market access; clinics for maternal and child health; or creating drainage canals and raising homesteads for resilience from climate change and natural disasters. Building off of a recent WFP and IFPRI two-year research initiative⁶, work activities should combine nutrition education activities with the cash, food or voucher payments to maximize nutrition outcomes. Another example is to not only select agricultural and off-farm activities based on profitability, but also on gender dynamics, potential linkages to government or private sector support for inputs and services or local NGOs for training, and the use of innovations in information and communication technology such as mobile platforms to take advantage of youth connectivity, preferences and aptitude. In addition, highly nutritious foods such as fish, chick peas, and fortified foods and oils are available in local markets in Bangladesh. These may be effective in promoting optimal and sustainable infant and young child feeding practices and other sustainable nutrition-related behaviors. In order to achieve multiple objectives, partners are encouraged to coordinate and integrate their activities with Feed the Future (FTF) partners whenever possible to broaden market-based solutions.

⁶ <http://www.wfp.org/news/news-release/nutrition-education-key-wfp-and-ifpri-reveal-first-evidence-most-effective-safety->

Participant Targeting

In order to achieve the stated goal and objectives, the proposed projects should target highly impoverished, malnourished, food insecure and vulnerable populations. It is strongly recommended that projects use participatory tools and methodologies to identify the target groups and select participants. This has been shown to create ownership of the project within the communities and among the project staff in Bangladesh. USAID encourages applicants to consider gender and disability issues, and to facilitate participation of populations with disabilities and to maintain a gender balance in project hiring as well as project activities, whenever possible.

Geographic priorities

FFP considered a number of factors and criteria to finalize geographic targeting for the RFA. These include: 1) extent of poverty based on the recently released Poverty Maps of Bangladesh prepared by the World Bank, Bangladesh Bureau of Statistics, and World Food Program; 2) the degree of food insecurity, prevalence of wasting and stunting among children under five years of age; 3) vulnerability to shocks and stresses 4) potential for integration with USAID Feed the Future Projects (both geographic and programmatic overlaps); and 5) logical complementarity with other donors' activities.

Applicants must submit an application that (1) includes all or some of the areas below; or (2) includes all or some of the areas below except Chittagong Hill Tracts region (CHT); or (3) focuses exclusively on CHT (see funding limitations below). Applicants will also be expected to propose target participant populations based on the above criteria, avoiding duplicative efforts of other similar projects and excluding any villages and participants covered under the prior (2010-2015) FFP development projects.

Based on these criteria, it is anticipated that targeted areas will be selected from some or all of the following areas:

Char and haor regions: Select *char* areas in Kurigram, Gaibandha, Sirajganj, and/or Jamalpur Districts and the *haor* areas in Sunamganj, Habiganj, Netrokona, and/or Kishoreganj Districts.

Prolonged inundation (approximately six months) of farmland, flash flooding and wave erosion in *haor* areas reduce the availability of and accessibility to food. They affect household assets in the same way as floods and erosion in the *char* lands, although the shocks manifest themselves differently. Only one crop of rice is produced annually in the *haor* areas, which can be severely affected by floods. In addition, homestead areas on raised land tend to be smaller, placing limitations on the opportunity to produce food and income using homestead resources. Although current upazila-level data are not available, in 2013 the Sylhet Division had the highest overall prevalence of stunting (46 percent) among children under five of any Division in Bangladesh⁶. Furthermore, when the 2013 data was broken down to locality, it found that the *haors* had the highest level of stunting of any

locality (45 percent), while the northern *chars* were also among the highest (38 percent)⁷. Access to safe water and sanitation are major challenges to *char* and *haor* areas creating a situation with serious nutrition and health consequences.

Fishing plays a significant role in the livelihoods of vulnerable households in the *haor* areas. A unique feature of food insecurity in the *haor* is the exclusion of impoverished fishing households from traditional fishing grounds. Powerful individuals have found various ways to gain control over fishing grounds at the expense of the traditional low income fishing households. Markets are also underdeveloped and inaccessible, especially for households living in the deep *haor*, which are hours by boat from the nearest significant market facilities. The distance limits the availability of food in the market and access to food even for those households with income.

The *chars* are fragile land masses formed by silt deposits from the extensive river delta and are home to five million of the most impoverished people in Bangladesh. Their remote location and almost total absence of infrastructure has made development in these areas a major challenge. Families crippled by long-term debt struggle under the additional burdens imposed by practices such as early marriage and dowry. Seasonal migration, low levels of access to education amongst the poorest families and a health status that falls far behind the rest of the country has led to inter-generational poverty. Chronic malnutrition rates in Rangpur and Rajshahi Divisions were 42.9 percent and 33.7 percent in 2011, respectively⁸. Rights to the ephemeral lands are a major issue in the *chars*. Most of the *char* land is controlled by a handful of influential people who lease the land to poor households to live on and cultivate. They develop a patron–client relationship through which the poor households access resources and, in exchange, provide a wide range of services to the individuals who control the land.

Southwest Coastal Region: Including Satkhira, Khulna, and either one or both districts of Bagerhat and Pirojpur.

The southwest coastal region of Bangladesh is the most disaster-prone area in Bangladesh. It is very vulnerable to the effects of climate change and is unique for its environmental characteristics. The uncontrollable and unsustainable levels of salinity and continual flooding, compounded with increasing natural disasters and now climate change effects such as the increasing height of daily high tides caused by sea-level rise, and late-arrival and erratic monsoon rains have all further increased the barriers to growth faced by the region. The region is a food deficit area where net food production and diversity of food production have declined significantly over recent decades. Environmental degradation caused by government structural development projects and the trend for increasing environmentally unfriendly shrimp production have reduced diversity and quantity of food production, increasing the vulnerability of the most poor. However, for undetermined reasons the 2011

⁷ State of Food Security and Nutrition Bangladesh 2013. HKI, JPGSPH, BBS

⁸ National Institute of Population Research and Training, Mitra and Associates, Measure DCH ICF International. 2013. Bangladesh Demographic and Health Survey 2011.

Demographic Health Survey found that at 34 percent stunting is lowest in Khulna division of Bangladesh⁹.

Sea level height is increasing and consequently in many places the saline water from the Bay of Bengal is seeping into the land. A recent study concludes that embankments (or polders) built in the 1960s are primarily the cause of extreme sea-level rise scenarios in the Ganges-Brahmaputra River basin. The environmental degradation caused by the salinization and flooding creates serious problems for agriculture (i.e. severe soil degradation caused by erosion, contamination, and compaction, losses of organic matter through improper farming practices, land transformation and deforestation).

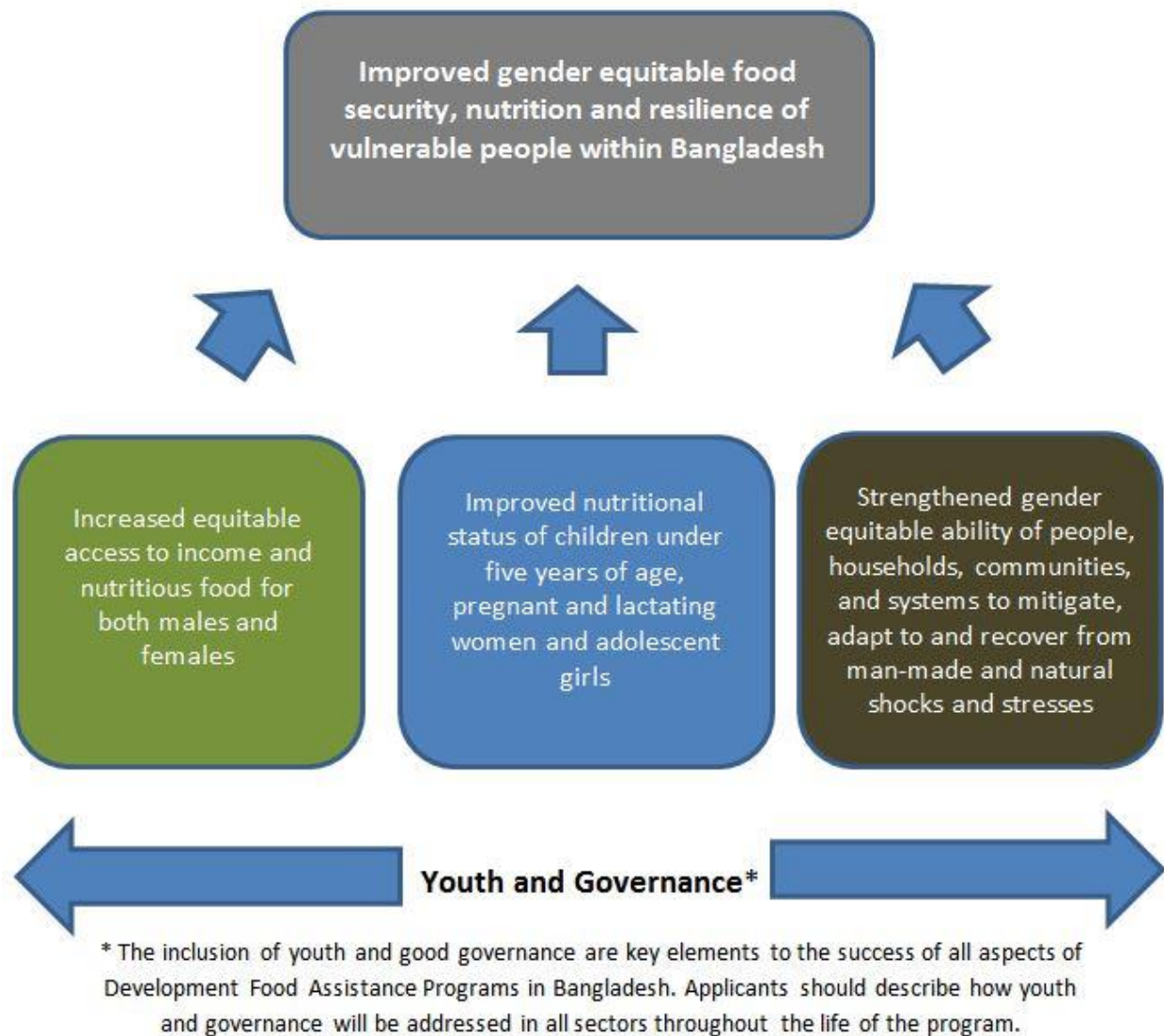
Chittagong Hill Tracts Region (CHT): Select areas in Rangamati and/or Bandarban districts.

The Chittagong Hill Tracts (CHT) had a population of 1.6 million in 2011, consisting of 11 distinctive tribes in addition to the non-tribal Bengali population. This is a unique part of the country, both in terms of landscape and demographics. The CHT Development Fund (CHTDF) Household Survey estimated 74.1 percent incidence of poverty at the upper poverty line, and 52.4 percent at the lower poverty line (UNDP and CHTDF 2014). The preliminary Bangladesh 2012–2013 Multiple Indicator Cluster Survey (MICS) indicated that several districts in CHT have very high levels of stunting: 40.6 percent in Rangamati and 51.4 percent in Bandarban. Although the situation has improved over the past few years in the CHT regarding access and utilization of basic social services such as education, health, nutrition, water and sanitation services, access to these services is still extremely limited. Many of the developmental challenges are due in part to the partial and slow implementation of the CHT Peace Accords that were signed in 1997.

The CHT suffers from a weak governance structure and limited government essential services. Land disputes and conflict over resources are common on lands that have been designated as forest reserves. The geo-physical characteristics of this region include steep hillside terrain, soil erosion, and a high dependence on deforestation to make land cultivable. This includes the practice of “jhum” agriculture, or shifting cultivation, often practiced on hillsides and often involving slash and burn practices to clear a forested area to permit cultivation. The CHT has limited accessibility and inter-connectivity due to the lack of an extensive road network. This makes access to markets and basic services difficult. Lastly, the significant language and cultural differences among the 11 indigenous tribes make cross tribal projects challenging. Work in the CHT represents a new area for FFP programming, with economic, social and cultural aspects and conflict-related issues unique to this area. **Funding for applications that focus on CHT activities exclusively will be limited to \$3-5 million annually, totaling between \$15-\$25 million over a five year period.**

⁹ National Institute of Population Research and Training, Mitra and Associates, Measure DCH ICF International. 2013. Bangladesh Demographic and Health Survey 2011.

LogFrame Objectives:



Programming Priorities and Considerations:¹⁰

Goal: Improved gender equitable food security, nutrition and resilience of vulnerable people within Bangladesh

FFP encourages applicants to determine the applicable constraints and limiting factors and then to design a strategic approach that seeks to address necessary and sufficient conditions in overcoming those constraints to achieve FFP's overall goal. This may be accomplished by linking to complementary activities, particularly FTF, that fill necessary gaps. The project must be designed based on a theory of change supported by evidence. To achieve the goal and purposes, the theory of change should take into account the following conditions and explicitly

¹⁰ Partners are requested to not change the wording of the purposes as these are directly related to mission objectives and the results framework.

identify necessary outcomes and assumptions: Gender equality, social accountability, governance and rights, the inclusion of youth and climate change.

Purpose 1: Increased equitable access to income and nutritious food for both males and females

Problem Statements: Poverty severely constrains access to an adequate amount of nutritious food for poor households in Bangladesh. Reliance on unprofitable economic activities, marginal farm size, restrictive tenancy agreements, inequitable gender dynamics in the household and communities, low yields, as well as income inequality limit food access for a large proportion of the population in the vulnerable areas. Lack of income opportunities for the poor, especially women, and vulnerable households combined with limited access to productive assets, weak social accountability of public service providers, high price of private services and gender inequality limit households' access to nutritious food.

- While the proportion of people in poverty countrywide decreased from 40 percent in 2005 to 31.5 percent in 2010, poverty is still heavily concentrated in rural areas. The average household's single largest expenditure is for food, comprising an average of 62 percent of the household's budget¹¹;
- Lack of access to agricultural land is widespread throughout Bangladesh, with 57 percent of the rural households being landless. The size of the plots among those that own land are also typically very small in rural Bangladesh with 36 percent of households having less than 0.2 hectares and 81 percent of households having less than 0.6 hectares¹².
- A majority of the poor and extreme poor households do not have access to agricultural land and have limited access to water bodies to use for fishing and aquaculture. As a result, income opportunities for these individuals are extremely limited which is the main reason for reduced access to nutritious foods;
- In addition, land ownership predominantly lies with the males, creating inequity in asset ownership, even in the case of women-headed households who often must rely on a male for access to the productive land.
- Access to agricultural inputs including fertilizer, high quality seeds, fingerlings, and fish feed is limited because of high price and limited financial capital of the producers and can be exacerbated, even for women with capital, by gender obstacles to accessing input suppliers;
- Limited knowledge of improved production and value-added practices results in low yields and profitability for smallholders and marginal farmers in remote areas. Lack of knowledge on intercropping for increasing production of horticultural food crops at low cost;

¹¹ GoB, 2011. Household Income and Expenditure Survey 2010.

¹² IFPRI, April 2013, The Status of Food Security in the Feed the Future Zones and Other Regions of Bangladesh: Results from the 2011-2012 Bangladesh Integrated Household Survey.

- Poor and vulnerable households do not have access to markets, public extension services, private sector and financial institutions. Often those households cannot afford to pay for prohibitively expensive private services;
- Landless poor, women and the most marginalized communities lack access to business support services, have limited skills and face constraints accessing microfinance services to support both on- and off-farm income earning activities;
- Lack of diversity in agricultural production decreases food security - a reliance on rice production has resulted in decreased production of and increased imports of pulses, oilseeds, and fruits. These remain inaccessible in local markets to many poor consumers, resulting in higher consumption of cereals with negative nutritional impact;
- Low dietary diversity at the household level can be traced both to a lack of knowledge as well as inequitable gender power dynamics at the household level, with the majority of women in Bangladesh eating inadequate diets, as defined by fewer than five food groups¹³.
- Low participation by Bangladeshi women in decision making processes related to productive resources, income and agricultural production activities both within a household and in the community, results in unequal access to income and nutritious food¹⁴;
- Shocks and stresses can hamper physical access to food, destroy food crops, and disrupt markets which can lead to an increase in the price of essential foods. Shocks and stresses directly affect household food security status by undermining their asset base. They indirectly affect it through a loss of employment opportunities and an increase in health expenditures;
- Post-harvest loss is very high, particularly in the monsoon season, due to absence of market infrastructure and facilities;
- Poor literacy and numeracy skills presents significant challenges for farmer groups to establish and maintain commercial relationships with buyers and expand their business opportunities beyond subsistence levels.

Purpose 2: Improved nutritional status of children under five years of age, pregnant and lactating women and adolescent girls

Problem Statements: Despite improvements in household income and maternal and child health indicators in Bangladesh, chronic malnutrition remains a major challenge and acute malnutrition has remained at or above emergency threshold levels from 2004-2011¹⁵. Sub-optimal antenatal care, poor infant and young child feeding practices, low dietary diversity, lack of clean water, poor sanitation and hygiene practices, limited access to primary health care and gender inequality preventing many women from making healthcare decisions on their own are among the primary contributors to malnutrition in the target areas.

¹³ State of Food Security and Nutrition Bangladesh 2013. HKI, JPGSPH, BBS

¹⁴ IFPRI, April 2013, The Women's Empowerment in Agriculture Index: Results from the 2011-2012 Bangladesh Integrated Household Survey

¹⁵ Bangladesh Demographic and Health Survey 2011. NIPORT, Mitra and Associates, Measure DHS ICF International.

- Despite considerable progress in reducing stunting in children under five from 51 percent in 2004¹⁶ to 35 percent in 2013¹⁷ it remains alarmingly high, including high undernutrition rates among adolescent girls (29 percent with inadequate height and 12 percent underweight) and adult women (17 percent chronically energy deficient)¹⁸.
- There is limited dietary diversity, particularly amongst the poorest wealth quintiles due to the unavailability and/or unaffordability of nutritious food or lack of awareness. This has resulted in a predominantly cereal-based diet. On average, about 80 percent of dietary energy in Bangladesh comes from cereals - 75 percent from rice alone. Due to this and other factors, Bangladeshis suffer from micronutrient malnutrition.
- In rural areas, food consumption decreases during the pre-harvest lean season and around one-fifth of the families have poor or borderline food consumption¹⁹. In 2013, 26 percent households reported running out of food stocks completely and being unable to purchase more that day whereas one-third of the families reported eating less preferred food.
- Poor overall infant and young child feeding practices contribute to chronic and acute malnutrition. Low exclusive breastfeeding (EBF) prevalence (43 percent in 2013)²⁰ is a long standing problem in the country. In addition, complementary feeding practices, such as children 6-23 months with minimum dietary diversity, are low. In rural areas only 38 percent of children under the age of two receive a minimum acceptable diet and only 42 percent have the minimum dietary diversity²¹. This poor diet exacerbates and perpetuates chronic and acute malnutrition. The prevalence of anemia is likewise very high (33 percent among children under five - 37 percent in rural area)²², despite Bangladesh having a rich source of animal source foods such as small fish;
- Early marriage and childbearing (54 percent of first pregnancies are before the age of 18)²³ remains as a major problem. Adolescent girls, who are often themselves malnourished, tend to maintain poor nutritional status throughout pregnancy, which often results in low birth weight (26 percent during 2012-13)²⁴. This poor nutritional status during pregnancy stems partly from cultural beliefs that women should restrict their antenatal food consumption in order to have an easier birth as well as from limited agency and empowerment by women on their food consumption in the household;
- Bangladesh faces challenges in detection and management of acute malnutrition, exacerbated by a low government institutional capacity to implement the scale and scope of activities under Bangladesh's National Nutrition Services. Although the Government of Bangladesh has identified addressing severe acute malnutrition as a priority, the use of ready to use therapeutic foods has not been adopted as imported products are not

¹⁶ Bangladesh Demographic and Health Survey 2011. NIPORT, Mitra and Associates, Measure DHS ICF International.

¹⁷ State of Food Security and Nutrition Bangladesh 2013. HKI, JPGSPH, BBS

¹⁸ State of Food Security and Nutrition Bangladesh 2013. HKI, JPGSPH, BBS

¹⁹ State of Food Security and Nutrition Bangladesh 2013. HKI, JPGSPH, BBS

²⁰ State of Food Security and Nutrition Bangladesh 2013. HKI, JPGSPH, BBS

²¹ State of Food Security and Nutrition Bangladesh 2013. HKI, JPGSPH, BBS

²² National Micronutrients Status Survey, 2011-12. icddr,b, UNICEF, GAIN, IPHN.

²³ State of Food Security and Nutrition Bangladesh 2013. HKI, JPGSPH, BBS

²⁴ Multiple Indicator Cluster survey (MICS) 2012-13, UNICEF, BBS

considered to be a sustainable approach because of the associated high costs of importation and length of full treatment. Locally produced therapeutic foods are under trial and as such have not been widely adopted yet;

- Lack of access to safe and adequate water supply is a major issue for poor and marginalized populations in targeted areas;
- Environmental enteropathy stemming from poor sanitation and hygiene practices have been identified as one cause of high malnutrition rates²⁵;
- Significant disparities in coverage of Water, Sanitation and Hygiene (WASH) activities still exist among the country's most vulnerable and hard-to-reach populations: 24 percent and 36 percent lack safe water access in hard-to-reach and arsenic-affected areas, respectively²⁶, and 47 percent still use unimproved sanitation facilities²⁷;
- WASH behavior change interventions have seen success (e.g. open defecation rates fell from 30 percent to under five percent by 2011)²⁸, but wider adoption of other practices, including hand washing and treatment of drinking water²⁹, remain a significant barrier to improved health and nutrition outcomes;
- There are a number of environmental threats particular to Bangladesh that challenge progress on WASH-related health indicators: (1) Monsoon rains and seasonal flooding that inundate low-lying areas (e.g. *char*, *hoar*, and Southwest Coastal zones), making the existing water and sanitation infrastructure unusable and contributing to significant diarrheal disease; (2) Prevalence of high levels of arsenic in Bangladeshi aquifers (32 percent of groundwater samples tested in 2009 exceeded the WHO recommended guideline) contributes to short- and long-term health impacts, including reduced cognitive and linear development in children³⁰; (3) Salt water intrusion of coastal aquifers, that has been exacerbated by the effects of climate change and increased groundwater pumping; (4) Aggressive groundwater, with high levels of iron and manganese, that impart taste and quality issues, as well as technical challenges associated with corrosion; and (5) Increased pollution of surface water that is caused in part by poor sanitation conditions, and which exacerbates the problem of drinking water treatment and health;
- Women face social isolation and lack power to make decisions regarding their health, including nutrition, and that of their children at both the household and community levels.

Purpose 3: Strengthened gender equitable ability of people, households, communities and systems to mitigate, adapt to and recover from man-made and natural shocks and stresses

²⁵ Lin et al. (2013). *Household Environmental Conditions Are Associated with Enteropathy & Impaired Growth in Rural Bangladesh*. Am. J. Trop. Med. Hyg., 89(1): 130-137.

²⁶ GWP (2013). *Bangladesh National Stakeholder Consultations on Water: Supporting the Post-2015 Development Agenda*.

²⁷ NIPORT, Mitra & ICF (2013). *Bangladesh Demographic and Health Survey 2011*.

²⁸ GWP (2013). *Bangladesh National Stakeholder Consultations on Water: Supporting the Post-2015 Development Agenda*.

²⁹ GWP (2013). *Bangladesh National Stakeholder Consultations on Water: Supporting the Post-2015 Development Agenda*.

³⁰ WHO-UNICEF (2009). *Bangladesh National Drinking Water Quality Survey of 2009*.

Problem Statement: Bangladesh's high vulnerability to climate change and man-made shocks and stresses leads to loss and damages of productive assets, crops, livestock, and infrastructure and contributes to food insecurity and poverty.

Vulnerable populations in these areas lack absorptive, adaptive and transformative capacity to effectively prepare for and respond to natural disasters such as flooding and cyclones, as well as economic or political shocks, such as those resulting in displacement or food price hikes. The poor and extreme poor as well as marginalized actors such as women and indigenous groups lack productive assets to enable them to bounce back from the recurrent shocks and stresses, resulting in a vicious cycle of poverty. Lastly, women in Bangladesh are found to be disproportionately affected by disasters.

- Bangladesh ranks first in the 2014 Climate Change Vulnerability Index and it will likely suffer more from climate change by 2025 than any other country³¹;
- Severe shocks affect between 30 percent and 50 percent of the country each year and offset gains in poverty reduction and agriculture productivity³²;
- Gender power dynamics at the household level often result in women and girls eating after men and boys, which often means fewer calories and less nutritious foods, such as meats or vegetables. In times of disasters, this discriminatory feeding practice can result in severe acute malnutrition, borne predominantly on the women and children;
- Farmers who suffer catastrophic losses to their crops due to shocks are at high risk and have no safety plan, such as crop insurance or food reserves, with which to recover;
- Villages are constructed on the top of raised earthen mounds that are subject to recurrent and severe erosion. The flood tolerant natural vegetation which in the past used to absorb the impact of high velocity tide disappeared because of overexploitation of land for agriculture. As a result, every year the residents have to invest significant resources to repair the erosion damage. For many households, repairing the village earthen mounds is a higher priority than buying nutritious food;
- *Char* dwellers, by definition, do not own their own land and thus land rights are a major issue in the *char*. As a result of deforestation and increased erosion in the Himalayas, the silt flowing through Brahmaputra river basin forms *chars* along the rivers. As the river flow changes over the years a *char* may disappear from one place and form anew in another place. According to hydrological data, the average duration of a *char* is five years. Therefore people, who live on the *char*, move several times in their lifetime from one *char* to another;
- *Char and haor* dwellers are also exposed to annual floods and coastal areas are also exposed to biannual cyclones with high tide floods that sweep away homes, productive assets and even lead to loss of lives. The consequences of this flooding is devastating and beyond the capacity of many poor households to manage. For

³¹ Maplecroft, 2014. "Climate Change and Environmental Risk Atlas." Maplecroft Global Risk Analytics. Available at <http://maplecroft.com/portfolio/new-analysis/2013/10/30/31-global-economic-output-forecast-face-high-or-extreme-climate-change-risks-2025-maplecroft-risk-atlas/>

³² WFP, 2012. "Enhancing Resilience to Disasters and the Effects of Climate Change." Available at http://www.wfp.org/sites/default/files/ER_percent20factsheet.pdf.

example, the availability of pasture encourages *char* dwellers to rear animals. Poor households often rent a cow to increase income but are left with the debt burden when that cow is washed away in a flood;

- Farmlands in *haor* areas remain inundated by floods for approximately six months per year. This limits households' ability for year round farming, as they can only grow crops for half the year, versus the year-round production by farmers in many other areas in Bangladesh. Early floods can destroy crops before farmers have harvested them and smallholders' ability to mitigate against or adapt to this shock is extremely limited;
- Southwest coastal zones are affected by storm surges, river erosion and flash floods. Increasing soil salinity and waterlogging have reduced yields and in some cases rendered land un-cultivable. Some households previously producing rice and other crops now find themselves with land on which shrimp cultivation is the most profitable option. Because of the scale of investment costs, most of this income goes to middle income and wealthy farmers. The poor household cannot access the capital required for shrimp rearing and they are forced to lease their land out to shrimp producers at rates below the value of the land;
- Households' access to localized early warning information is fragmented. Although there have been successes in linking flood early warning systems to community institutions, much of the disaster-prone areas of Bangladesh still do not have knowledge of or access to this vital information;
- The capacity of local level disaster management committees is limited as local government authorities do not have the financial resources or management capacity to exercise their authority in responding to a disaster;
- Under the new legal framework, local Disaster Management Committees (DMCs) will be key institutions with important responsibilities. However, in many of the most vulnerable areas, DMC members still lack the basic skills and knowledge to fulfil their anticipated role as well as lack the knowledge to implement the Standing Orders on Disasters and Disaster Management Act of 2012;
- The private and public infrastructures (shelters, roads, homes) are not designed to cope with the major climatic shocks;
- The disaster mitigation and recovery planning process is not inclusive of females, children or senior citizens;
- Government safety net activities have the mandate to target the most vulnerable and impoverished, yet often fail to reach the neediest due to policy implementation failures.

Collaborating, Learning and Adapting:

FFP development food assistance projects are considered to be part of the Presidential FTF initiative, and may constitute an expanded or additional FTF zone of influence. As such, FFP development food assistance projects will contribute to the collective impact, under the FTF results framework and USAID/Bangladesh's Country Development Cooperation Strategy (CDCS), of a diverse set of mutually reinforcing activities addressing the complex web of development challenges related to food and nutrition security among vulnerable populations in Bangladesh.

Projects should align with USAID/Bangladesh's CDCS and apply relevant USAID policies, such as the Gender Equality and Female Empowerment Policy, Resilience Policy, and the GoB's poverty reduction and growth Five Year Plan. Potential awardees should align proposed nutrition activities with the Government's Scaling Up Nutrition Common Results Framework and should engage with REACH partners within Bangladesh in scaling up nutrition activities. In addition, proposed activities should align with government policies such as the National Sanitation Strategy.

Activities should be strategically designed to leverage other investments or provide a foundation to attract other investments. For example, in selecting sustainable agricultural technologies to improve production, project design may consider leveraging value chain activities promoted by the FTF initiative or creating a foundation with FFP investments to build off of FTF investments in the near future.

To further the potential for broad collective impact as well as local engagement and ownership, the FFP development food assistance projects should also work to complement the activities of other donor-funded food security, nutrition and resilience activities as well as with the Government of Bangladesh (GoB). Key partners within the GoB include the Ministry of Disaster Management and Relief, Ministry of Local Government, Ministry of Food, Ministry of Agriculture, Ministry of Fisheries and Livestock, Ministry of Health and Family Welfare, Ministry of Women and Children Affairs, Ministry of Youth and Sports, and/or the Ministry of Water Resources.

FFP-supported projects should identify processes and procedures to engage proactively and collaboratively with other implementing partners operating in target areas to address the root causes of vulnerability to food insecurity and to political, social, economic, environmental and security shocks and stresses. This includes creating synergies, partnerships, and opportunities for shared learning that can be folded back into project implementation. For example, FFP-supported projects targeting primarily poor and ultra-poor households in the *char* and *haor* regions and Chittagong Hill Tracts are encouraged to learn from and leverage best practice from BFS-supported activities supporting agriculture, aquaculture and horticulture value chains in more economically viable communities in the Dhaka, Barisal and Khulna divisions as appropriate to the new contexts. Similarly, projects should also seek to create opportunities to share lessons learned from FFP-implemented activities with BFS counterparts. Designing processes to collaboratively learn and share training, approaches and technologies - such as the smartphone-enabled agricultural extension support through the FTF Agriculture Extension Support activity - is encouraged. Additional opportunities for partnership may exist through the BFS-supported Innovation Lab for Collaborative Research on Nutrition, implemented by Tufts University.

Bangladesh has been the focal point of significant U.S. government development investments over time, and the learning that has resulted from these investments, some of which is outlined in the Bangladesh Food Security Country Framework, can inform both project design and implementation. In addition, Bangladesh will continue to be a laboratory for emerging evidence through operations research funded by USAID, research institutes, foundations and other donor entities. The findings of such efforts, as well as the findings of

the final project evaluations under the most recent development food assistance projects, should be seen as rich resources for possible project adaptation and improvement over time.

Finally, USAID/Bangladesh's current CDCS ends in 2016, at which time a new five-year CDCS will start. Potential awardees are encouraged to see this as an opportunity for further refinement and alignment of project activities based on new strategic thinking and emerging opportunities for increased collective impact.

Monetization Information for Bangladesh Applications:

Specifically concerning the monetization³³ plan, applicants should develop their monetization plan as outlined in the FFP Monetization Field Manual (<http://www.usaid.gov/sites/default/files/documents/1866/MonetizationManual12222012FINAL.pdf>). Key points in the plan should include a justification for the proposed monetization (including levels expressed as a percentage of total tonnage), description of the proposed mechanics of the monetization (e.g., type of sale, type of buyer, anticipated commodities, and whether the potential sale will be conducted with other awardees), and a discussion of the local market factors and potential risks that may affect the monetization. Note that should there be a discrepancy, the CSI, RFA and FFP information bulletins take precedence over the manual, the Bangladesh Food Security Country Framework FY 2015-2019 and the 2014 Bangladesh Bellmon Estimation Studies for Title II (BEST) Analysis (<http://www.usaid.gov/bangladesh/food-assistance>). However, all documents are important in developing and supporting the monetization and/or distribution plans³⁴.

Which parameters should applicants keep in mind for monetization in Bangladesh?

Applicants should be aware of the following:

- a) Applicants should refer to the finalized 2015 Bangladesh CSI, Bangladesh Food Security Country Framework FY 2015-2019, and the 2014 Bangladesh BEST Analysis.
- b) Bangladesh is the last remaining country where monetization of U.S. commodities **under FFP development food assistance projects** is done with host government. The Government of Bangladesh (GOB) buys the monetization commodities for its safety net program and distributes them through Public Food Distribution System (PFDS). For the past five years, on an average, approximately 60,000 metric tons (MT) of wheat were monetized annually through GOB. However, the BEST report mentioned that GOB can go up to 200,000 MT.
- c) The GOB's payment is calculated based on the actual Bill of Landing price shown in the commercial invoice and deposit sales proceeds within the agreed time frame as set forth in

³³ Applicants who intend to distribute in-kind or locally/regionally procured food aid, cash or vouchers must also prepare a distribution plan detailing logistics, a discussion of local market factors and potential risks that may affect distribution of resources including negative gender impacts linked to the location, the timing of distributions and other considerations. Both food assistance commodity and resource distributions and monetization projects need to be familiar with and understand the implications of the FFP information bulletin (09-02), New Procedures to Determine Compliance of P.L. 480 Title II Food Assistance Program Proposals with the Conditions of the Bellmon Amendment. http://pdf.usaid.gov/pdf_docs/PDACU266.pdf.)

³⁴ See first footnote concerning preparation of a distribution plan.

the HCA. Generally, it can take approximately nine months from the time of call forward until sales proceeds are deposited into the PVO account.

- d) A Host Country Agreement is mandatory between private voluntary organization (PVO) and GOB line ministry for monetization.
- e) As per GOB National Board of Revenue policy, food aid commodities receive exemption from paying Customs Duty and Value Added Tax (CD/VAT).

Will successful applicants have to work directly with a certain GOB ministry?

Yes. All the successful applicants must work with a GOB ministry. The USAID mission has established a good relationship with the Ministry of Local Government Rural Development and Cooperatives (LGRD&C) and the Ministry of Disaster Management and Relief (MoDMR) due to the historical relationship from implementation of Title II activities in Bangladesh. These two ministries are familiar with the complexities of monetization and the direct distribution processes.

Currently, the mission is working with GOB External Relations Division (ERD), which is the finance-related entity who will designate the concerned GOB ministry(s) for implementation of the next development food assistance project. ERD will designate the specific ministry for the successful implementing partner to enter into agreement with, based on the recommendation of the Mission.

What are the expectations of the GOB for the PVOs/awardees?

New organizations who want to work in Bangladesh must be registered with the Non-Governmental Organization (NGO) Affairs Bureau. The host country agreement can only be signed after the PVO/awardee has completed the registration with NGO Affairs Bureau.

How will tonnage levels per year and types of commodities be realized, negotiated?

Applicants can refer to the 2014 BEST Report for possible commodities, tonnage levels and limitations and tailor as appropriate to project design needs. There is no evidence of negative market impact from the current Title II monetization of soft white wheat to Bangladesh. BEST recommends that new Title II partners should continue selling soft white wheat to the GOB at volumes up to 200,000 MT per year based on the GOB's indication that it would be willing to purchase this quantity. This volume is higher than current Title II activities' annual levels.

Are there any special certificates that are required for the successful applicants to monetize?

Yes, successful applicants need to follow GOB import policy. As per the GOB import policy, a "Fit for Human Consumption" certificate must accompany any imported foods. Current FFP projects have received a waiver so the awardees were required to produce a GOB recognized laboratory test result from Bangladesh prior to food being released into the country. The import policy as well as the waiver will expire in 2015. USAID is expecting that the waiver clause will remain in effect with this new policy formulation.

An updated Import Policy from the ministry of commerce is anticipated in 2015.

Any key points the applicants need to know about to include in their host country agreements (HCAs)?

As practice, the HCAs have used different templates depending on the ministries involved in project implementation. The major content is to clarify: roles and responsibilities of GOB and awardees; management of award(s) activities; various applicable GOB laws and regulations; as well U.S. Government regulations for the implementation of the Title II activities.

How critical is timing of commodity shipments given the climate, demand, price?

The best window for commodity arrival is October through April. Heavy rains, potential cyclones and rough seas complicate shipment arrivals between June and September. Additionally, May to June should be avoided as the GOB conducts the majority of their imports at the end of their fiscal year, ending in June, and the ports and warehouses are in high demand. Price recovery is fixed and does not depend on season.

Bangladesh is an import oriented country for wheat - only a quarter of the demand is produced here. Therefore, demand is not a problem. (Refer to 2014 BEST Report)

Is there only one or two times a year when monetization is possible/viable/practical?

One shipment/monetization annually is preferred because it reduces freight costs and minimizes the logistical burden related to shipping and off-loading. One monetization also expedites payment by the host government.