

# Climate Change Planning and Financing in Bangladesh

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## Background: Impacts of Climate Change in Bangladesh

The specific natural and socio-economic phenomena that one needs to keep in mind in relation to the impacts of the climate change in a South-Asian Least-Developed Country (LDC) like Bangladesh are as follows:

- Bangladesh is a land of low-lying alluvial plain, located in the bed of Himalayan Rivers with its Southern fringe exposing to Bay of Bengal.
- It is the youngest and most active deltaic plain that is still continuing its land formation process.
- The highest rainfall area of the earth called Cherrapunji of India is located in the border of Bangladesh; this rainwater flows over Bangladesh.
- The area of Bangladesh (i.e., 147,500 square kilometres) is about 7% of the Ganga-Brahmaputra-Meghna basins, but 93% of water of this region go down to the Bay of Bengal through Bangladesh.
- Bangladesh is the sixth largest densely populated country of 241 countries in the world, more than 35% of her total population live below the poverty line while her cultivable agriculture land has been declining 1% per year.

There is no lack of diversity of this tiny Bangladesh; there exists 30 distinct agro-ecological zones (AEZs) based on similar agriculture and ecological characteristics. As a result, the impacts of global warming induced climate change on the nature and people of this country are multifaceted. Few of these major impacts are:

- Increased intensity and frequency of cyclones and tidal surges due to temperature rise.
- Increased altitude and intensity of tidal surges, frequent coastal floods and water logging, and increased salinity in the coastal region due to sea-level rise.
- Increased magnitude of floods, flash-floods and river erosion.
- Increased drought susceptibility due to lack of rain and erratic rainfall.
- Increased uncertainty in seasonal change.

The picture that we get of the loss of livelihoods and forced displacement in Bangladesh is formidable as a result pervasive impact of **few** climate change related events:

The Picture of Loss of Livelihoods and Outward Migration due to Pervasive Impacts of Climate Change			
Climate Change related Events	Loss of Livelihoods (No. per year)	External Migration (No. per year)	Frequency
Coastal and River Erosion	50,000 – 200,000	60,000	Annual
Salinity	120,000	10,000 – 15,000	Annual
Tidal Surge and Rough Sea	300,000 – 400,000	100,000 – 120,000	Once in every three-year
Water Logging	350,000	30,000	Annual

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Notably, another recent study conducted for Campaign for Sustainable Rural Livelihoods (CSRL) shows that the 'poverty pockets' in Bangladesh are going to be shifted from Northern *Char Lands* to South-Western Coast due to the adverse impacts of climate change.

### **The Impacts of Climate Change and the Scale of Vulnerability of Bangladesh**

Especially, it is important to keep in mind that the weather related extreme events are a manifestation of the multifaceted impacts. Increased temperature and increased-temperature induced trends of change of agents is the other side of the impacts. In many instances, though increased temperature and increased-temperature induced trends of change of other agents may not be the cause of weather related extreme events; they sometimes become the cause of massive disasters. Therefore, it is important to consider the impact of changing trends along with the losses caused by extreme events.

One of the important statements made in the 4<sup>th</sup> Assessment Report of the Inter Governmental Panel on Climate Change (IPCC) published in 2007 is: considering the time that is required to dispose of the CO<sub>2</sub> that has already been emitted in to the atmosphere, the past and future emissions of anthropogenic Greenhouse Gases (GHGs) would be the cause of global warming and sea-level rise for more than next one thousand years. According to the Stern report, the cost of adaptation with changing scenario would increase over time. Another report says that the risk of climate change is massive in countries, where there exist high density of population, economic weaknesses, low level human capacity, institutional weaknesses and mismanagement, socio-economic problem caused by globalisation and limitation of administration etc. Today, it is also universally true that the existence of people, especially, poor people are being endangered due to climate change. The Human Development Report 2007-08 of the UN said that the impacts of disasters on poor people start before they happen, and the impacts remain for decades after decades. The poor people could not take prior steps to face the impacts of climate change; when the disaster happens they become pauper; the scarcity immediate after the disaster forces them to sell their properties; consequently, there is wastage of human resources due to poor health and malnutrition

Today there is no doubt about the scale of vulnerability of Bangladesh:

- The IPCC has identified Bangladesh, a land of low-lying alluvial plain, as one of the most vulnerable least developed countries.
- According to the Vulnerability Index of Climate Change introduced by Dr. Caroline Sullivan, Centre for the Environment, Oxford University, Bangladesh is one of the most vulnerable countries.
- According to the Mortality Risk Index of the UN, Bangladesh is one the top of the vulnerable countries due to earthquake, flood, cyclone and landslide.
- A recently published report of the Maple Craft of the UK, which has conducted a survey on 170 countries with using 42 indicators, revealed that Bangladesh is on the top of among 16 countries that are most vulnerable to climate change in next 30 years.
- Reports published by 'German Watch' and 'Climate Vulnerability Monitor 2010: The State of the Climate Crisis' have also found Bangladesh as one of the most vulnerable countries.

### **What is Bangladesh doing?**

Impacts are enormous, financial and technological assistances are inadequate; but lives keep on going. Historically, people and institutions of Bangladesh have played splendid roles in the

scientific and political negotiations of climate change. However, questions and debate still remain whether Bangladesh as a country has been doing enough to the maximum use of intellectual capacity of her people and institutions as well as organisational capacity.

All major national policy documents developed by the Government of Bangladesh (GoB) have addressed the key issues around climate change:

- **Vision 2021:** The 14 Party Grand Alliance came to power declaring their ‘Vision 2021’ which is a set of key policy proposals towards the year 2021 that marks the golden jubilee of country’s independence. The Vision 2021 that provides political directions to all national policy documents states, “All measures will be taken to protect Bangladesh, including planned migration abroad, from the adverse effects of climate change and global warming.”
- **Outline Perspective Plan (OPP):** The current government has suspended the World Bank driven Poverty Reduction Strategy (PRS) process; simultaneously drafted the ‘Outline Perspective Plan of Bangladesh 2010-2021: Making Vision 2021 a Reality’ and placed before the Prime Minister’s Office in March 2010 for approval. The Outline Perspective Plan (OPP) is the ‘blue print that advances a more inclusive and holistic picture of development’ that considered climate change for devising strategies for overall and sectoral development plan in one hand, on the other hand, proposed ‘Climate Change Response Options’.
- **Sixth Five Year Plan (SFYP):** ‘Bangladesh Sixth Five Year Plan FY2011-FY2015’ provides strategic directions and policy framework as well as sectoral strategies, programmes and policies for accelerating growth and reducing poverty of the country. SFYP has identified benchmarks, targets and implementation strategies for the mentioned period.
- **Bangladesh Climate Change Strategy and Action Plan (BCCSAP) 2009:** BCCSAP 2009 is the key operational document on climate change. Operationally, it combines all relevant ministries of the government and tends to influence the establishment of a full-fledged ‘Department of Climate Change’ under the Ministry of Environment and Forests. There are six priority areas in the BCCSAP 2009.
- **Other Policy Documents:** It has been observed that other national sectoral policy documents that are being reviewed currently also considering the effects of climate change and directing policy propositions to combat those.
- **The Constitution:** Last but the most important point is that the Constitution of the People’s Republic of Bangladesh, through its 15<sup>th</sup> amendment, considered the issue of climate change, albeit implicitly. Following the recommendations tabled by the ‘All-Party Parliamentary Group (APPG) on Climate Change and Environment’<sup>†</sup> and intensive lobby done by the Campaign for Sustainable Rural Livelihoods (CSRL), the high level committee on Constitutional Amendment included the following article in ‘Part II: Fundamental Principles of State Policy’ and was passed accordingly: “18A. Protection and improvement of environment and biodiversity: The State shall endeavour to protect and improve the environment and to safeguard the natural resources, biodiversity, wetlands, forests and wild life for the present and future citizens.”

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<sup>†</sup> Established in 2008 through a partnership between Oxfam and APPG of the Bangladesh Parliament.

Most likely, Bangladesh is the one among many developing and least-developed countries to formulate and adopt such policy positions, albeit these policy documents might have some limitations both in terms of process and subject matters.

Besides the formulation of policy positions for domestic actions and international negotiations, the government has also established two financial mechanisms to support the implementation of 44 programmes devised under six pillars of BCCSAP 2009 with a projected costing of an estimated amount of USD 5 billion for first five years. In addition to these two mechanisms, there are some existing traditional mechanisms as well to address climate change.

- **Bangladesh Climate Change Trust Fund (BCCTF):** Following the development of BCCSAP, the BCCTF has been established by the government in 2009 and resourced USD 100 million each year since 2009. An amount equivalent to 66% of the total fund is being spent for the implementation of BCCSAP while the rest 34 is held in reserve as ‘fixed deposit’ for tackling emergency situation and generating additional money to implement the BCCSAP. An amount of 10% of the mentioned 66% is being spent by NGOs under the overall supervision of Palli Karma-Sahayak Foundation (PKSF) and the rest by different ministries of the government.
- **Bangladesh Climate Change Resilience Fund (BCCRF):** Bilateral Development Partners (DPs) including the Department for International Development (DFID) of the UK had been trying to establish the World Bank managed Multi Donor Trust Fund (MDTF) in Bangladesh since 2008 which was strongly opposed by CSRL and its allies in Bangladesh and UK demanding a single and coherent national mechanism owned and managed by an independent national board on climate change. However, finally in May 2010, DPs in Bangladesh Development Forum (BDF)<sup>‡</sup> agreed the establishment of BCCRF which would be managed by the GoB. World Bank is providing ‘fiduciary’ support to the BCCRF with an objective of handing it over to the GoB in next three years. By this time the BCCRF has received an approximate amount 200 million USD from different DPs including UK, EU, Denmark, Sweden and Australia. An amount of 90% of the total amount would be spent by different ministries while the rest 10% would be managed by PKSF to support initiatives taken by NGOs.
- **Multilateral Funds:** GoB received grants and loans from different multilateral sources including small grant for Ministry of Environment and Forests (MoEF) from the Least-Developed Country Fund (LDCF) of the United Nations Framework Convention on Climate Change (UNFCCC), grant and loan for Strategic Programme for Climate Resilience (SPCR) from Pilot Programme for Climate Resilience (PPCR) of the Climate Investment Fund (CIF) of the World Bank, multi-donor grant for Comprehensive Disaster Management Programme (CDMP) managed by United Nations Development Programme (UNDP), loan from Asian Development Bank while yet to receive any grant from Adaptation Fund (AF). There are many more initiatives with International Financial Institutions (IFIs) including the WB and ADB.
- **Bilateral Funds:** DPs have different types of interventions in Bangladesh that are driven by their own national policies. US Aid in Bangladesh that spends USD 100million/year is one of their largest development assistance programs in the world. Bilateral and multilateral DPs are organized under BDF and respective Local Consultative Groups (LCGs).

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<sup>‡</sup> BDF, previously known as Paris Consortium, is the platform of all bilateral and multilateral development partners active in Bangladesh.

It should be mentioned here that meanwhile the NGOs in Bangladesh receiving supports from bilateral agencies and by mobilizing their own sources the NGOs have undertaken various initiatives for adapting adverse impacts of climate change at the local level in different agro-ecological zones of the country. In many cases communities themselves with their innovative ideas have initiated different kinds of adaptive initiatives.

### **The Major Challenges and Way Forward**

Albeit Bangladesh is suffering the most, initiatives taken by this time are really inspiring. Both multilateral negotiations on climate change and developing countries including the least-developed and small island states may find the lessons Bangladesh has learnt as interesting for their way forward.

However, despite remarkable progress, Bangladesh needs to consider the following challenges and recommendations for becoming a greater and better climate resilient country:

- National policy and planning documents excluding the recommendations for constitutional amendment were developed by consultants and bureaucrats who are guided by bilateral development partners. Neither the people nor the civil and political societies were consulted to develop these policy and planning documents. It is really a shame for the whole nation that none of these were shared with and discussed and approved by the Members of the Parliament (MPs). The GoB should engage with the people in the community, civil and political society, and MPs to develop such planning and policy documents. It has also been observed that the bureaucracy doesn't listen and follow the political directions provided by the political authority of the country including the Prime Minister.
- There are so many channels to finance climate change related programmes and projects in Bangladesh. While CSOs are focusing mostly on BCCTF and BCCRF, most of the bilateral and multilateral finance are in operation without adequate transparency, accountability and participation (notably, there is a unity of convenience between bureaucrats, consultants veiled as civil society and development partners to obstruct appropriate participation of people and civil and political society). CSRL, since 2008, demanding a single national mechanism for leading the planning process, financial mobilization, programme and project development, fund disbursement and monitoring and evaluation. Policy coherence couldn't be ensured unless a single national mechanism is in place. Either the GoB should introduce this or the multilateral climate negotiations should put this as a mandatory process for all countries to follow towards receiving any form of financial and/or technical support from multilateral sources.
- GoB must ensure the implementation of declared policies, plans, priorities and strategies which are not currently being followed appropriately during the implementation of BCCSAP. Development partners must respect the policies, plans, priorities and strategies taken in Bangladesh while initiate their own programmes and projects. Moreover, development partners must contribute adequate financial resources through bilateral and multilateral channels.

It is expected that non-state actors in Bangladesh and at international level including in the European Union will raise their voices for overcoming the challenges related with the climate change planning and financing in Bangladesh as well as at multilateral level for protecting human being and planet Earth. Mammoth constraints could be overcome through greater unity among all of us at home and abroad.

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