

## Effective climate finance governance: Lessons learned from Bangladesh

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<http://www.transparency.org/programmes/detail/cgip>

### Climate Governance Integrity Programme

- Transparency International (TI) is the world's largest coalition fighting corruption, made up of more than 100 National Chapters worldwide
- The Climate Governance Integrity programme was launched in 2011. It currently operates in Bangladesh, Peru, the Maldives, Mexico, Kenya, the Dominican Republic.

**Purpose: Public Money for climate change is used effectively and for its intended purposes**

**Goal: Transparent and accountable climate and carbon finance  
Policies and practices being implemented at all levels**

# What is our interest in Climate Finance Tracking?

## Background

### 1. The Scale and Speed of Climate Finance

**Adaptation:** US\$300-400 Billion per year

**Mitigation:** trillions to have GHG peak in 2015

**Publicly committed;** USD\$ 30 Billion by 2012; 100 Billion/year by 2020

### 2. Complexity

**Proliferation of Sources:** public finance, carbon markets, taxes, reallocation of subsidies etc.

**Proliferation of Channels:** e.g. Adaptation Fund, Special Climate Change Fund, Least Developed Countries Fund, UN-REDD, FCPF, CIFs, National Funds

## Climate Finance Regime in Bangladesh

**Bangladesh Climate Change Strategy & Action Plan 2009** - 44 programs in Six Themes - Estimated Cost of \$5 billion (2009-2018).  
- The 2012 Global Climate Risk Index named Bangladesh as the world's most climate vulnerable country.

**Challenge** is absence of prioritization (SR and LR) actions considering – increased vulnerability; availability of resources; lack of coherence with national plan

### **Bangladesh Climate Change Trust Fund (BCCTF) Act, 2010**

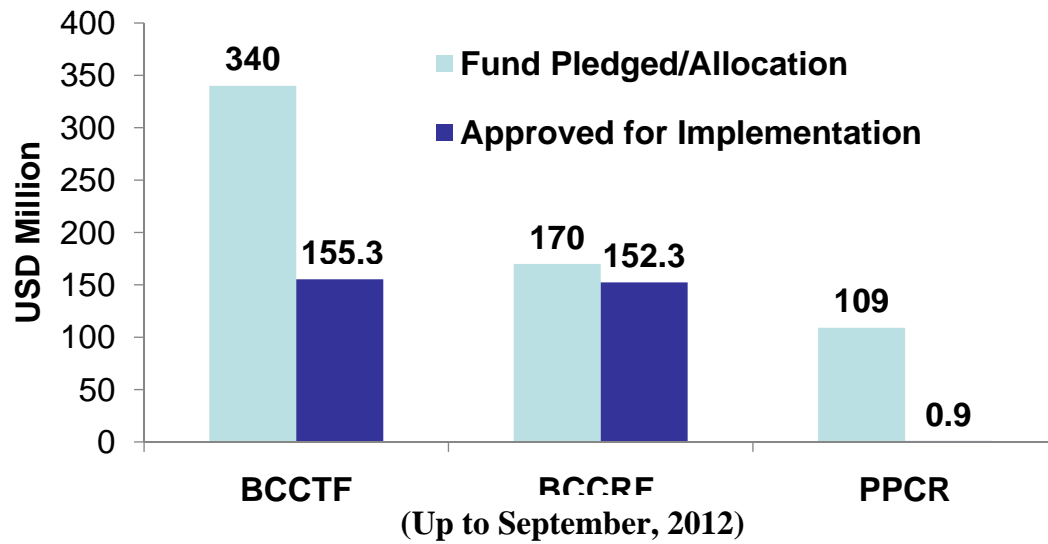
- Block budgetary allocation –first to create by any victim country

### **Bangladesh Climate Change Resilience Fund (BCCRF), 2010**

- Grant from Annex 1 countries

# Climate Finance in Bangladesh

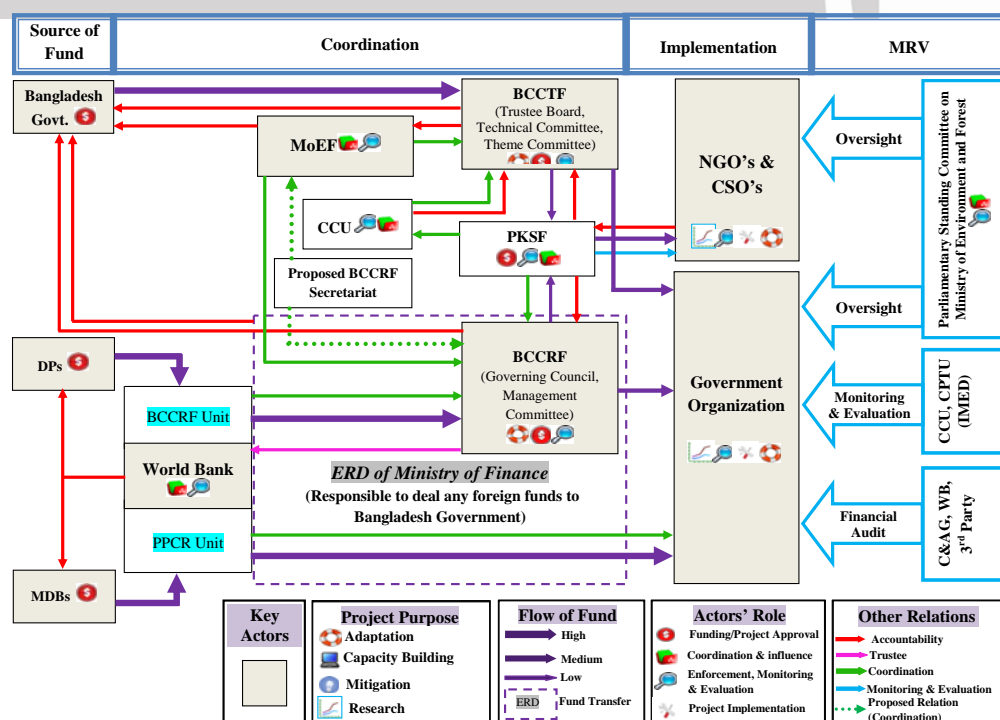
- Money from BCCTF is already flowing to support adaptation (~70%) and mitigation (~27%) and rest (~13%) research and capacity building



# Challenge: Climate Funds - Who will get what?



## Mapping Climate finance flows and accountability lines in Bangladesh



## **Initial Findings:** **Overall Challenges to effective Climate Finance Governance in Bangladesh**

- Lack of coordination, coherence and prioritization between the funds
- Inadequate disclosure
- Political influence and conflict of interest in project allocation
- Poor access to information for affected communities and lack of stakeholder engagement
- Less resources and limited focus to ensure expected level of competency and capacity of fund managers

**Case study:** A government-initiated project under the Bangladesh Climate Change Trust Fund to construct cyclone resistant houses for the affected households, at a cost of US \$1400 each.

Lack of transparency in contracting

Lack of access to information for affected community

Lack of proper monitoring and evaluation

> Money lost in the production chain, Sub-standard construction



**Case study: Mangrove A** government-initiated project under the Bangladesh Climate Change Trust Fund to construct cyclone resilient houses for the affected households, at a cost of US \$1400 each.

Lack of transparency in contracting

Lack of access to information for affected communities

Lack of proper monitoring and evaluation

> Money lost in the production chain, Sub-standard construction





# Case Study: Approving construction of cross-dam located partly at protected forest areas

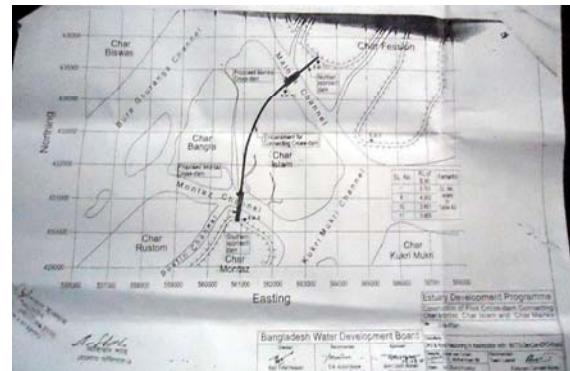
Approved  
Construction of  
Cross Dam without  
EIA, social impact  
study

Hided existence  
of protected  
forest in  
approved design

\$ 2.9  
million has  
been bad  
investment



Project site with reserve forest



Approved design without forest site



## Thank you

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