

"Dhaka Integrity Dialogue-2: Climate Finance and Governance in South Asia"

Talking Notes

Plenary session 4:

Adaptation Finance Governance in South Asia: Case Study on Bangladesh and Maldives

1. Introduction
2. Observation on others presentation i.e. Bangladesh and Maldives
3. Revisiting the Idea of Governance:
 - a. The very term governance refers more than just management
 - b. Essentially the term underpins the relationship between citizen and state, which are negotiated through institutions like market, civil society, political parties, bureaucracy and so on. And thus the actions of these institutions also become part of governance discourse.
 - c. Having said that, in relation to adaptation finance governance, instead of limiting the governance discussion within some management-biased parameters like *accountability, transparency, efficiency, effectiveness* I would propose widening our discussion to examine to what extent and how the relationship between citizens and state is being shaped through adaptation finance and what are the roles of those institutions (e.g. private sector, civil society, bureaucracy) playing in.
 - d. This broader framework would allow us to examine the issue of climate finance governance in the backdrop of greater national economy with its global linkages.
 - e. The dominant discourse on climate finance governance in Bangladesh, and south asia in general, focuses on how some funds are spent, what purpose, who did it and what kind of irregularities were there and so on. In deed this discussion is important because that's how we can question the decision makers and held them answerable to the society in general. However, unfortunately this sporadic discussion ends up with some projects, some funds or some organization or actors activity. But the problem is that very often it overlooks the linkage between the project/organization/fund and the greater economy and polity.
 - f. In relation to climate finance in Bangladesh, for me there are couples of issues on which we need immediate attention:
 - i. Proper estimation and scenario building of demand and supply of finance
 1. We do not know what exactly we would do
 2. How much we would need, within what time line
 3. What will be the cost of action and cost of inaction

4. We have very few clear idea of what we are doing for why we are doing that
5. We do not have scientific adequately robust studies on climate scenario
- ii. National plans are of short term in relation to climate change. They are of five years. But climate change investment requires a wider time line.
 1. We hardly consider the climate compatibility of our investment projects,
 2. No study on economic growth, industrialization and climate connation
 3. No proper knowledge on economy and climate relation
 4. Thus, no planning process in place to meet these greater challenges.
- iii. On the supply side, we do not know exactly what would be the sources of this finance. We only talk about some short-term fiancé. But how to mobilize long-term finance?
 1. What would be the new tax regime?
 2. What would the incentive for the climate compatible development?
 3. What are the priorities?
- iv. The Implementation Question:
 1. Efficiency, responsiveness,
 2. Distribution of benefits and co-benefits

Conclusion

- The broader long term road map, strategy is yet to develop. And that is the major crisis in Bangladesh, to some extent true for South Asia.
- State capacity. State capacity relies on the legitimacy of the regime. Thus, if you have a situation of democratic deficit, legitimacy crisis then it is very likely that the policy makers will more and more focus on short term benefits, thus the long term road map might not be developed in time.

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