

COP 27: Bangladesh should talk round the developed countries the need for a proper roadmap for the pledged climate fund, says TIB

Policy Stance



Dhaka, 1 November, 2022: Developing countries, including Bangladesh, should talk round the developed countries to declare a timely roadmap in the upcoming climate COP27 to provide the pledged annual climate funding, said TIB, issuing a statement recently as COP 27 is approaching.

The COP 27 (Conference of The Parties), aka The 27th United Nations Framework Convention on Climate Change, is going to take place on November 6-18, 2022 at Sharm El-Sheikh of Egypt with an aim to tackle the climate change challenges.

In the statement, TIB said that due to the fund crisis, activities related to climate adaptation and mitigation in the developing countries had stalled. The reason behind this include- keeping the provisions of providing the pledged climate fund by the developed countries optional in the Paris Agreement, impact of COVID-19, oil and gas price hike as a result of Russian- Ukraine war, and high expenditure in military in the developed countries.

As the global temperature has already increased by 1.2 degrees Celsius since the pre-industrial era, frequent floods, tsunamis, cyclones, and wildfires have become more frequent worldwide. However, the use and export of carbon-emitting fossil fuels, particularly coal, has increased and financing of coal-based energy projects has also increased, the statement said.

In the statement, TIB Executive Director Iftekharuzzaman said, “Despite pledges, developed countries have failed to provide \$100 billion in climate finance annually from 2020, which is a prerequisite for implementing the Paris Agreement, including achieving a global temperature target of 1.5 degrees Celsius. Climate Fund is additional to

‘development aid’, but without any verification, they have disbursed only 83.3 billion over the past two years in the name of ‘development aid’ and ‘climate finance’ jointly, of which the maximum \$20 billion is the Climate Fund. Due to the veto of developed countries, it was not possible to create a separate fund for the 2021 climate conference for recovering the damage. In addition, they have reduced aid to food security, environment, and biodiversity conservation programs in affected countries. Therefore, in the light of the Paris Agreement, Bangladesh and other affected countries should play a strong role in their own interests by giving importance to climate change adaptation, mitigation, and financing in the upcoming conference.”

IMF Conditions: TIB concerned about discriminatory implications and calls for consistency with the lender’s own policy on corruption and money laundering

Press Release

Dhaka, 5 November 2022: Transparency International Bangladesh (TIB) has expressed concern over potential discriminatory implications of some of the conditions on which the International Monetary Fund (IMF) is proposing its \$4.5 billion loan to Bangladesh. TIB has also called upon the lender to be consistent with its own policy against corruption and money laundering.

In a media statement issued today TIB drew the attention of the IMF negotiating team to the potential distributive injustices of some of their proposed conditions like reform of subsidies on fuel, fertilizer, electricity and gas. Such measures, and indeed the whole package of conditions must be designed in a manner that does not in reality add further discriminatory impacts on the already overburdened common people.

Referring to the global lender’s policy obligations, Executive Director of TIB, Iftekharuzzaman said, ‘it is disappointing that IMF appears to be inconsistent with its own policy and failing to mainstream concrete strategic measures to promote better governance in general and prevent corruption and money laundering in particular. Without such measures their package of conditions is not only unlikely to achieve the intended purpose but will also add adverse discriminatory impact on the already overburdened people’.

He further said, ‘while imposition of conditions, which are often tough and unpleasant, are indispensable part of IMF’s lending business, the question is whether the package represents a strategy that puts public interest first, or on the contrary it is counterproductive for the people’.

The statement adds, ‘the IMF team is rightly concerned about low tax-GDP ratio of Bangladesh. But it appears to bank mainly on VAT as the prescription which is known for its discriminatory impact. On the other hand, there is no indication of any possible measures to prevent and control widespread tax evasion and money laundering, especially misinvoicing-based illicit transfers. Adoption of the Common Reporting Standard (CRS) for automatic exchange of information on financial transactions within and across borders is one such missed opportunity.

‘IMF has a commitment to specifically and forthrightly address corruption and money laundering. We expect the international lender to practice what it preaches’, said Iftekharuzzaman.

Editor: Sheikh Manjur-E-Alam

Sub-Editor: Mohammad Tauhidul Islam, Xavier Sku, Kazi Mahdi Amin, Mathews Chiran

Design: Samsuddoha Safayat



Write us: Transparency International Bangladesh

✉ advocacy@ti-bangladesh.org 🌐 www.ti-bangladesh.org 📱 [TIBangladesh](https://www.facebook.com/TIBangladesh)