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# AN ASSESSMENT OF CLIMATE FINANCE GOVERNANCE BANGLADESH



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Author: M. Zakir Hossain Khan, Mahfuzul Haque and Mohua Rouf

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Supported by:



Federal Ministry for the  
Environment, Nature Conservation,  
Building and Nuclear Safety

based on a decision of the Parliament  
of the Federal Republic of Germany

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# INTRODUCTION

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Bangladesh has been assessed as the most vulnerable country in the world to the effects of climate change.<sup>1</sup> The worsening intensity of extreme weather events is already being felt by Bangladesh's population, and will have an increasingly detrimental effect on socio-economic development, poverty reduction and security in the coming years. The Intergovernmental Panel on Climate Change's fourth assessment report predicts that 1 million coastal people of Bangladesh will become climate refugees by 2050 due to sea level rise.<sup>2</sup> Climate induced storms are predicted to impact on 0.6 million additional people annually, implying far greater investment in emergency assistance.<sup>3</sup>

These developments are taking place to a backdrop of serious governance challenges. Bangladesh has for many years scored poorly on Transparency International's (TI) *Corruption Perceptions Index*, which ranks countries on a scale of 0 (highly corrupt) to 100 (very clean) according to how corrupt their public sector is perceived to be. In 2012 it scored 26.<sup>4</sup> An annual survey conducted by TI Bangladesh in 2012 found that 63.7 per cent of participating households claimed to have suffered the negative consequences of corruption. In the same year the cost of bribery in the public sector was estimated to be 2.4 per cent of Gross Domestic Product and 13.4 per cent of the country's annual budget.<sup>5</sup>

Given these dual pressures of climate change and corruption, greater assurances are needed that money invested in climate change adaptation and mitigation actions will be spent transparently, accountably and effectively.<sup>6</sup> Potential challenges that risk preventing climate finance from achieving its stated goals in Bangladesh were outlined in Transparency International's *2010 Global Corruption Report: Climate Change*.<sup>7</sup> These include a lack of transparency and public disclosure, creative accounting and financial mismanagement. The Climate Public Expenditure and Institutional Review prepared by the Government of Bangladesh's Planning Division in 2012 also emphasised the need for enhanced transparency and accountability measures in the budgeting of climate finance.

Keen to ensure that action is taken to shield climate finance from corruption or fraud, TI Bangladesh undertook this study to assess the situation of the governance of finance received and approved for climate change adaptation and mitigation in the country. This process also sought to improve knowledge and understanding of climate finance governance amongst key stakeholders in Bangladesh so that they can be better engaged with and contribute to policy development and monitoring, and hold decision-makers to account.

This document represents a summary of the research process and findings under five sections: an introduction, the research methodology, findings, conclusions and recommendations. It is supported by an online pictorial representation (the Climate Finance Governance Map) which displays the information in a simple and understandable format. A full report is available at <http://www.ti-bangladesh.org/cfgp>

## DEFINITION OF CLIMATE FINANCE

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The World Bank defines climate finance as “resources to catalyze the climate-smart transformation of development trajectories by covering the additional cost and risks of climate action, creating an enabling environment and building capacity in support of adaptation and mitigation as well as encouraging research, development, and deployment of new technologies.”<sup>8</sup> However, within definitions like these there remains scope for multiple interpretations of what differentiates climate finance from more traditional lines of spending, such as the environment, water, health and development.

This definitional question has complicated efforts to track and account for climate investment, by governments and civil society alike. In Bangladesh it has resulted in confused, inconsistent systems of categorisation, with differing definitions of climate finance applied across institutions. For the purposes of this report, the research team sought to include in its assessment funds— either allocated from the national budget or received from international donors – that are considered ‘climate-specific’ or ‘climate-relevant’, and flow through defined climate finance mechanisms. This includes bilateral financing labelled under the Fast Start Finance initiative<sup>9</sup> (2010 -2012), finance from multilateral climate funds, and national and bilateral finance channelled through the two national funds- the Bangladesh Climate Change Trust Fund and the Bangladesh Climate Change Resilience Fund. As such this report does not capture all bilateral or multilateral climate funds implemented on the ground by non-state actors, including private sector actors and civil society organisations.

It should also be noted that limited or in some cases non-disclosure of information was a persistent challenge to ensuring a complete picture of climate finance actors and funding flows in Bangladesh. This hurdle to identifying and measuring Bangladesh’s climate finance expenditure represented in itself a significant finding from this research process. It has added strength to the argument that, if the Bangladeshi people and the international community want to effectively measure and assess climate change investment, the development of a proper budget classification system will be essential.

## METHODOLOGY

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TI Bangladesh undertook research between 2011 and 2013 to analyse the current climate finance architecture and funding flows in Bangladesh. The research was based on a methodology developed by Transparency International and described in the *National Climate Finance: A Governance Risk Assessment Toolkit*.<sup>10</sup> This provides a generic methodology to guide a two-step process, exploring both remedial and preventative measures in place to safeguard climate finance against corruption. As a first step, the national Climate Finance Governance Map was developed. This mapping exercise addresses three key aspects of climate finance at the national level: (1) Who are the actors involved in dealing with climate finance at the national level and what are their roles

(2) What are the relationships between these actors and what bodies are responsible for anti-corruption oversight and (3) The flow of finance between actors.

The Climate Finance Governance Map is useful to help climate and anti-corruption stakeholders in the country under review to understand the roles and accountability arrangements for public, private and civil society actors receiving, coordinating, implementing and overseeing climate finance. By identifying the actors responsible for the greatest percentage of climate finance in the country and those that have been subject to corruption-related concerns in the past, the mapping also facilitates the prioritisation of actors for a deeper analysis of the safeguards they have in place which could act as a barrier against corruption at the second step of the process – the Governance Assessment.<sup>11</sup> This document only contains the results of the first step of the process - the Climate Finance Governance Map.

In Bangladesh, the research team started by reviewing secondary sources and data including reports from the World Bank, the Organisation for Economic Co-operation and Development, national research institutes and websites including those of Climate Funds Update and the UN Framework Convention on Climate Change. Project related information, policy and planning documents were drawn from the national institutional websites of the Ministry of Environment and Forest, the Bangladesh Climate Change Trust Fund, the Bangladesh Climate Change Resilience Fund and the Palli Karma Sahayak Foundation. Interviews were conducted with key climate finance stakeholders in Bangladesh, to establish greater clarity on the roles and responsibilities of particular institutions and the coordination between institutions responsible for climate finance in Bangladesh. Interviews conducted included public officials from the Ministry of Environment and Forest, Bangladesh's two national climate change funds, the World Bank, the Palli Karma Sahayak Foundation and civil society organisations representatives (see the bibliography for a list of interviewees).

Much of the information gathered for this report was not actively disclosed by coordinating or implementing bodies, but had to be gathered through Right to Information Requests<sup>12</sup> or through field visits or meetings with relevant agencies. Stakeholder consultation workshops were held to analyse and verify the findings of these processes throughout the research cycle.

During the process of constructing this map, the climate finance governance landscape in Bangladesh was not static. This research and the online, visual Climate Finance Governance Map that accompanies it should be viewed as living documents that will continue to be updated as changes occur.

## NATIONAL POLICY FRAMEWORK

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The key strategic document for climate change activities in Bangladesh is its Climate Change Strategy and Action Plan,<sup>13</sup> developed by the Ministry of Environment and Forest with support from political parties, civil servants, policy and technical experts, non-governmental organisations and international development partners. The Strategy and Action Plan offers guidance on selecting projects under the Bangladesh Climate Change Trust Fund and the Bangladesh Climate Change Resilience Fund, as well as for multilateral climate finance in the country. For funding in projects and programmes, the document outlines six thematic areas: 1) Food security, social protection and health; 2) Comprehensive disaster management; 3) Infrastructure; 4) Research and knowledge management; 5) Mitigation and low carbon development; 6) Capacity building and institutional strengthening.<sup>14</sup> The planning and priorities of the Strategy and Action Plan have been factored into planning documents developed for multilateral climate finance instruments, the National Adaptation Plan of Action (guiding document for the Least Developed Countries Fund) and the Strategic Program for Climate Resilience (developed for the Climate Investment Fund's Pilot Programme for Climate Resilience).<sup>15</sup>

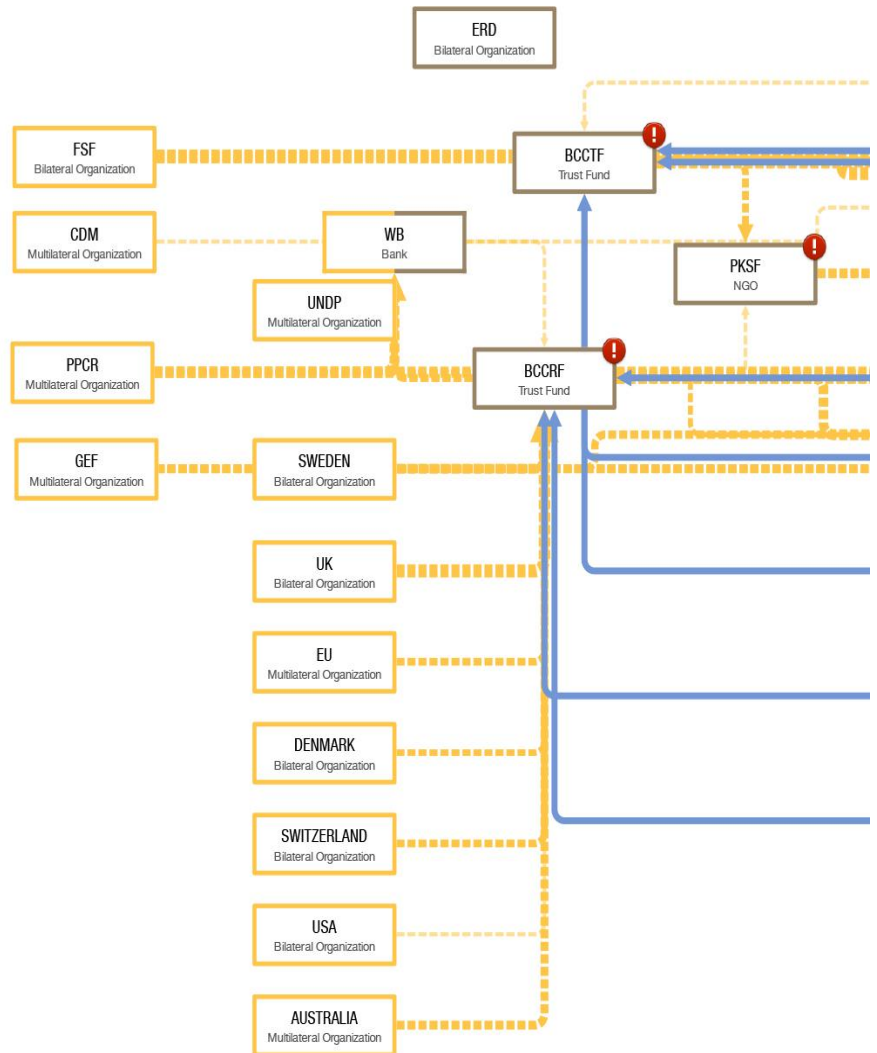
The fact that Bangladesh has developed centralised national climate funds, and aligned its Strategy and Action Plan with national and international funds' planning represent as positive step towards improving the coordination and coherence of climate finance at the national level. However, the government has been criticised for failing to carry out sufficient consultation with affected communities during the document's preparation stage. Despite claims that Strategy and Action Plan would be a living document that would respond to climate challenges, the Ministry of Environment and Forest has not yet revised it to accommodate emerging vulnerabilities.<sup>16</sup>

## THE GOVERNANCE MAP

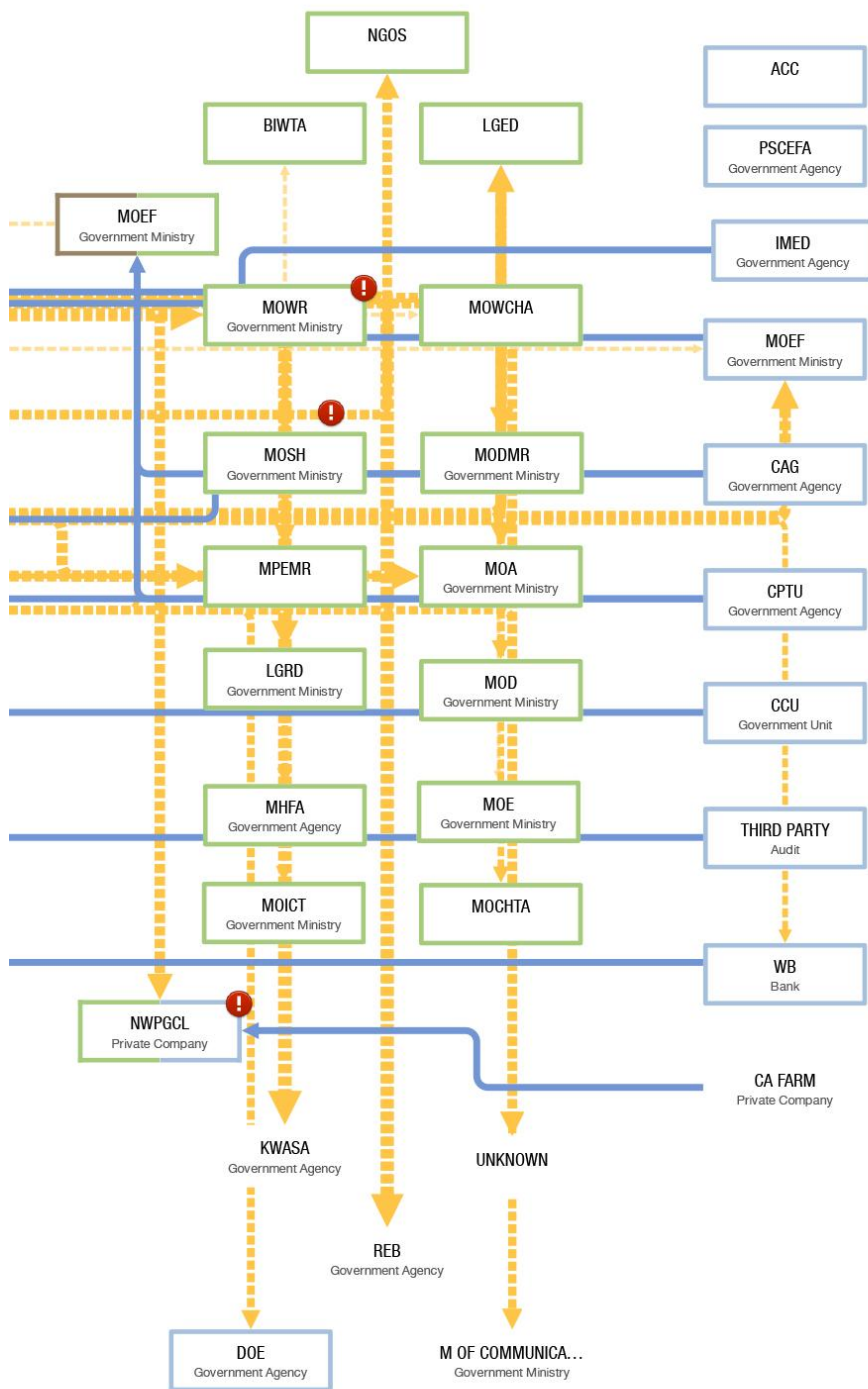
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Climate funds flow into Bangladesh through a range of channels, involving a diversity of actors. These are captured in TI's interactive Climate Finance Governance Map - an online, updatable visualisation that depicts climate finance flows and the actors engaged in funding, coordinating, implementing, monitoring and overseeing it. A screenshot of the Bangladesh map is included overleaf. The online version can be accessed at [www.cgip.nodejitsu.com](http://www.cgip.nodejitsu.com).

This visual representation is supported by a map narrative (beginning on page 8) which explores in more detail climate finance flows and actors in the country.







## LEGEND

- Implementation
- Monitoring
- Funding
- Coordination
- - - - - Pledged Money
- Disbursed Money
- Monitoring
- ! Corruption Risk

# THE NARRATIVE MAP

## Funding flows

### BILATERAL

Bilateral funds are mostly (with the exception of Japanese bilateral finance) channelled through the Bangladesh Climate Change Resilience Fund, a multi-donor trust fund that channels grants from Annex-I countries to projects and programmes designed to strengthen Bangladesh's resilience to the effects of climate change, and support the implementation of the country's Climate Change Strategy and Action Plan. The Fund became operational in 2010. By the time commitments under the Fast Start Finance period reached its end in December 2012, it was worth US\$ 170 million<sup>17</sup>. Of its contributors, the UK provided the highest amount (US\$ 95 million). Other contributors include the EU (US\$37 million), Sweden (US\$13 million), Switzerland (US\$3.4 million), Denmark (US\$ 1.2 million), USA (US\$13 million) and Australia (US\$7.0 million). By December 2012 the Resilience Fund had approved ten projects for government agencies and non-state actors (NGOs, CSOs, private sector actors and research institutes) totalling US\$ 146.9 million, excluding US\$ 4.1 million for administration costs to the World Bank. Three of these projects are currently being implemented by government agencies, accounting for 25 per cent of approved funding.

90 per cent of money in the Resilience Fund is directed to government agencies. Once a project is approved (and before funding is disbursed), the Economic Relations Division draws up a grant agreement with the World Bank (the fund's Trustee and interim secretariat until 2017) and the recipient government agency. In this case the implementing government agency is accountable to the Resilience Fund's Governing Council. The remaining 10 per cent of funding has been allocated to non-state actors. This envelope – the Community Climate Change Project<sup>18</sup> – is managed by the Palli Karma Sahayak Foundation. The Foundation is accountable to the Resilience Fund through the World Bank, which is currently in charge of providing managerial and technical assistance to the Fund.

### MULTILATERAL

In terms of multilateral finance, US\$32.31 million in loans has been pledged from the Climate Investment Fund's Pilot Programme for Climate Resilience (US\$0.19 million disbursed).<sup>19</sup> US\$9.15 million has been pledged (US\$ 3.5 million disbursed) from the Global Environment Facility's Least Developed Countries Fund for adaptation and climate resilience activities, and US\$ 20.09 million pledged (US\$ 16.01 million disbursed) from the Global Environment Facility's Trust Fund. Accepted into the UN-REDD Programme in August 2010, Bangladesh is also currently preparing to implement REDD+ projects. During this phase of 'REDD readiness', however, the country is not yet receiving any project finance.

## NATIONAL

National funding for climate activities is channelled and accessed through the Bangladesh Climate Change Trust Fund, allocated a total of US\$ 340 million from the national budget. 66 per cent of the Fund's projects are aimed at enhancing Bangladesh's adaptation capacity –comprising a large number of small-scale projects (under US\$2.5 million) across the country. Projects are implemented by government bodies as well as non-governmental and civil society organisations, research institutions and the private sector. The remaining 34 per cent is kept as a fixed deposit, earning interest for emergency projects and programmes. Government agencies drawing from the Fund are accountable to the Ministry of Finance for financial compliance and the Trust Fund for the submission of project completion reports. NGOs, research institutions and private sector actors are accountable to the Palli Karma Sahayak Foundation, which is in turn accountable to the Trust Fund through its secretariat, the Bangladesh Climate Change Trust. So far 139 government projects and 63 non-government projects have been approved, to a total of US\$190.78 million.

## OTHER

Another route is when multilateral or bilateral donors collaborate directly with implementing agencies (both state and non-state actors), without channelling through the Resilience Fund. For example, Japanese bilateral funds are routed directly to government agencies with the coordination of the Economic Relations Division. The Least Developed Countries Fund is coordinated by the UN Development Programme and the World Bank. The Pilot Program for Climate Resilience, the Global Environment Facility and the Clean Development Mechanism are coordinated by the World Bank through the Economic Relations Division (responsible for channelling all foreign funding), the Ministry of Environment and Forest and the respective implementing agency. In this case, concerned recipients are accountable to the World Bank.

## Climate finance actors

## COORDINATION

Coordinating actors are those with a role in the overall coordination of climate change activities in the country, including coordinating funding into and within Bangladesh and those responsible for developing a legal framework to guide climate change activities.

The Ministry of Environment and Forest is the key government agency responsible for climate change related policy formulation, coordination and implementation in collaboration with related national and international actors. As the focal point for the UN Framework Convention on Climate Change and the lead body for climate policy development, the Ministry led the formation of the National Action Plan for Adaptation and the Bangladesh Climate Change Strategy and Action Plan. A recent study by the International Institute for Environment and Development and Ministry of Planning highlighted strong country-ownership and coordination in climate mitigation and adaptation planning in Bangladesh, however also noted that wider ministerial involvement beyond the Ministry

of Environment and Forest is required to ensure that the planning effectively reflects the full range of national interests<sup>20</sup>. The Bangladesh Climate Change Trust within the Ministry is the main coordinating body for climate change projects in the country, and acts as Secretariat to the Bangladesh Climate Change Trust Fund. TI-Bangladesh's research highlighted concerns over capacity constraints in the Trust Fund's Secretariat- current understaffing prevents the unit from effectively fulfilling its functions in managing the on-going 139 government and 63 NGO/think tank projects along with other related Fund tasks and internationally financed projects. A Secretariat for the Bangladesh Climate Change Resilience Fund is also under the process of establishment in the Ministry of Environment and Forest. This function is currently carried out by the World Bank, whose term has been extended up until 2017.

Specific bodies have been established under the Trust Fund and the Resilience Fund for the coordination of funds. Under the Trust Fund, the Trustee Board plays a key role in framing policies for project selection, fund management and disbursement. The Trustee Board is chaired by the Minister of the Ministry of Environment and Forest and comprises 17 members.<sup>21</sup> The Trust Fund's Technical Committee provides technical support in policy formation, long-term project and programme development, mobilising funds beyond the national budget, and evaluations of the fund<sup>22</sup>. The Palli Karma Sahayak Foundation, an independent, autonomous foundation, has been tasked by the Trust Fund to review and make a preliminary selection of proposals submitted by NGOs/CSOs, which are then forwarded to the Trust Fund's Trustee Board for final selection.

For the Resilience Fund, the Governing Council is the main decision-making entity, chaired by the Environment and Forest Minister. The Governing Council comprises six ministers and two representatives from contributing development partners, two representatives from CSOs and the Country Director of the World Bank as an observer.<sup>23</sup> This Council provides overall strategic direction and guidelines to ensure the alignment of funds with the Bangladesh Climate Change Strategy and Action Plan, approves projects and reviews the Fund's achievement of results. The Palli Karma Sahayak Foundation, an independent foundation, has been tasked by the Bangladesh Government with coordinating the 10 per cent of funds flowing through the Resilience Fund to NGO/ CSO/ private implementing partners.

The World Bank plays a key role in policy formation and the coordination of climate finance in Bangladesh - in particular in the coordination of the multilateral funds - in framing guidelines and providing strategic direction for the Climate Investment Fund's Pilot Programme for Climate Resilience, the Least Developed Countries Fund and the Global Environment Facility. The World Bank is also the Trustee for the multi-donor trust fund, the Bangladesh Climate Change Resilience Fund. A Secretariat for the Fund was also due to be established under the Ministry of Environment and Forest in 2013, but there is a lack of clarity on the development of this body, and in the interim the World Bank is leading the Fund's management and strategic planning. As such the World Bank team in Bangladesh assists the Resilience Fund in screening and selecting projects, fiduciary management, technical support and oversight. Concern has been expressed by civil society actors in Bangladesh over the failure to establish country ownership of the Resilience Fund, and the lack of clarity and conflict of interest regarding the extension of the World Bank's mandate, the fees charges for its services (including World Bank sponsored studies) and the people or bodies responsible and accountable for grant decisions.<sup>24</sup>

The Economic Relations Division of the Ministry of Finance is the government focal point with development partners, as well as for the mobilisation and coordination of all external assistance inflows into the country, including the climate funds. The Division assesses external assistance needs, devises strategies for negotiations, mobilises foreign assistance, formalises and enables aid mobilisation through the signing of loans and grant agreements, and determines and executes



external economic policy.<sup>25</sup> Upon signing grant agreements the Division channels funds for both the Trust Fund and the Resilience Fund and through multilateral instruments. Where international funds are channelled directly to governmental or non-governmental implementing agencies, without passing through the Ministry of Finance, those entities are obliged to inform the Division of the receipt of funds.

## PROJECT SELECTION AND VERIFICATION

Project selection actors are those that play a role in the review and approval or rejection of proposed projects. Verification actors verify that climate projects meet required standards or that results have been achieved. Different project approval and verification processes apply across different climate funding instruments in Bangladesh.

Under the Resilience Fund, its Management Committee<sup>26</sup> is responsible for the initial screening of project proposals<sup>27</sup> to ensure that they are in line with the Bangladesh Climate Change Strategy and Action Plan. Pre-approved project proposals are passed onto the Governing Council of the Resilience Fund, which makes a final decision in favour of selection or rejection<sup>28</sup> of government projects. Under the Trust Fund, its Theme Committee provide the first clearance check and define under which of the six defined thematic areas of the Strategy and Action Plan the project falls. The Trust Fund's Technical Committee<sup>29</sup> provides a second round of screening before passing proposals on to the Trustee Board for a final decision in favour of selection or rejection. For the 10 per cent envelope of Resilience Fund and around 2 per cent of Trust Fund finance that is implemented by NGOs, think tanks and CSOs, a different process applies. For these projects The Palli Karma Sahayak Foundation<sup>30</sup> has been assigned the task of project review and selection. TI Bangladesh, however, have found political influence and nepotism to cloud the fair and objective selection of NGOs/ think tanks<sup>31</sup>.

Criticism has been levied by civil society in Bangladesh over limitations on access to information regarding the project selection process under both climate funds.<sup>32</sup> The geographical spread of approved projects has been called into question by some stakeholders, as certain regions seem to have been favoured over more vulnerable areas.<sup>33</sup> Because of a lack of public information, it is impossible to know why one project is selected over another, increasing the risk that corruption or conflicts of interest might affect the selection process. The Trust Fund's Secretariat made a call for proposals in 2011. Around 5,000 proposals were submitted by NGOs/CSOs, of which the Secretariat initially selected 53 NGOs. Fund disbursements for approved projects were, however, suspended in August 2011 due to allegations of corruption in the selection of those NGOs.<sup>34</sup> The Palli Karma Sahayak Foundation was subsequently appointed to take over from the Trustee Board in leading the project selection and coordination process for non-government projects,<sup>35</sup> and to review the allegations. In 2012 it was charged with reviewing 131 pre-selected proposals, of which it chose 63<sup>36</sup>. The Foundation's investigation into allegations was completed but not been made publically available, prompting criticism on the part of civil society. A lack of transparency persists with regards to the project selection process and funds channelled by the body.

For multilateral funds implemented in Bangladesh the project approval process differs, with international agencies playing an integral role. In the case of the Pilot Programme for Climate Resilience, its Sub-Committee decides whether or not to approve a project. Proposals to the Global Environment Facility Trust Fund and the Least Developed Country Funds are screened and approved or rejected by the Global Environment Facility Council and Secretariat. For Clean

Development Mechanism projects, the government of Bangladesh has formed a two-tier Designated National Authority, responsible for approving projects at the national level. The Ministry of Environment and Forest handles the lower tier, while the National Clean Development Mechanism Board headed by the Principal Secretary to the Prime Minister handles the upper tier. After ensuring that the stated emissions reductions are additional and that the project contributes to sustainable development, the Designated National Authority gives Host Country Approval to the project. A Designated National Authority has not yet been selected for the Green Climate Fund. It is expected that this entity would be a major conduit for multilateral funding in the future.

## IMPLEMENTATION

Implementing actors are those who are responsible for translating climate finance into action on the ground. In Bangladesh these include a number of government agencies, CSOs, development banks and UN agencies. The following chart shows the distribution amongst implementing entities of the climate finance investment identified by TI Bangladesh.

IMPLEMENTING MINISTRY/ GOVERNMENT AGENCY	TOTAL FUNDS RECEIVED (US\$ MILLIONS)
Local Government, Rural Development and Cooperative	218.16
Power Energy and Mineral Resources	159.28
Water Resources	87.01
Environment and Forest	78.93
Agriculture	57.91
North-West Power Generation Company Ltd	19.21
Disaster Management and Relief	13.94
Shipping	6.47
Communication	4.63
Defense	3.55
Health and Family Affairs	1.97
Science and Information and Communications Technology	1.14
Chittagong Hill Tracts Affairs (ministry for ethnic, cultural and environmental diversity)	1.05
Education	0.49
Women and Children's Affairs	0.37

IMPLEMENTING ORGANISATION	
NGO funding through the Palli Karma Sahayak Foundation	15.57
World Bank (research study)	0.7
Others	13.04
<b>TOTAL</b>	<b>\$US 683.43 million</b>

Source: This table was prepared by TI Bangladesh based on available data on climate funds in June 2013 (see appendices for a breakdown by funding source).

### Government

Of the total funds received from six funding agencies, the Ministry of Local Government, Rural Development and Cooperative has so far received the highest amount of climate finance, totalling US\$218.16 million (31.92 percent of climate finance in Bangladesh). The agency receiving the least amount was the Ministry of Women and Children's Affairs, representing the demographic the most vulnerable to climate change induced disasters, with 0.05 per cent of the total allocation of funds from the six funding windows.

The bulk of this funding comes from international sources -the Pilot Programme for Climate Resilience (\$US 31.2 million), Japan's fast start finance contribution (\$US 136.8 million approved) and the Resilience F (\$ US 25 million). The Ministry of Power, Energy and Mineral Resources is the second highest recipient of climate finance in Bangladesh, with 23.31 per cent of the total funds identified. The Ministry receives most funding from bilateral and multilateral climate funds, with a major portion of Global Environment Facility funding (\$ US 12.28 million) and from the Resilience Fund (\$ US 25 million). The third highest recipient of overall funding, and the highest recipient of national funds, is the Ministry of Water Resources, which receives nearly half of all funding from the Bangladesh Climate Change Trust Fund (45.24 per cent), with some 58 projects totalling \$ US 86.31 million. The Ministry of Environment and Forest receives 11.55 per cent of total climate finance in the country, at US\$ 78.93 million. It implements some 23 Trust Fund projects, to a tune of US\$ 30.79 million, a major reforestation project under the Resilience Fund at US\$ 35 million, and US\$ 9.15 million in adaptation financing from the Global Environment Facility's Least Developed Country Fund (implemented with the UN Development Programme).

TI Bangladesh's research and monitoring of climate finance project implementation on the ground has revealed cases of corruption and mismanagement of climate funds at the project implementation stage, suggesting a need for greater vigilance throughout project cycles.<sup>37</sup> During visits to the sites of a cyclone resistant housing construction project financed under the Trust Fund in the coastal areas of Khulna and the Barisal Division, TI Bangladesh uncovered failures in the consultation processes with local stakeholders and found that money and building materials had been siphoned off by local contractors, leaving the construction project unfinished and woefully inadequate.<sup>38</sup> Allegations in 2012 of corruption and money grabbing from the multiple and

fragmented projects run under the Ministry of Water Resources by the Bangladesh Water Development Board are also cause for concern,<sup>39</sup> given that this ministry receives the largest portion of funding from the Trust Fund, and is the third largest recipient the six climate funds operating in the country.

### **Non-governmental organisations**

Under the Resilience Fund, 10 per cent of funds are reserved for non-state implementing actors. So far, 12.5 million has been allocated to the Community Climate Change Programme, managed by the Palli Karma Sahayak Foundation and implemented by local CSOs. Funding under the Community Climate Change Programme will be channelled in three components - US\$ 10.4 million for NGO projects in salinity, flood and drought prone areas; US\$ 0.44 million for knowledge management, monitoring, evaluation and capacity building, and US\$ 1.66 million for project management. Until June, 2013, the Palli Karma Sahayak Foundation had also approved US\$ 4.07 million for 11 projects implemented by NGOs/ CSOs with Resilience Fund funding. Projects are located in flood zones (US\$1.83 or 44.9 per cent for four projects), saline zones (US\$1.25 or 30.6 per cent for four projects) and drought zone areas (US\$ 1.0 or 24.5 per cent for three projects). Selection is underway and TIB has already planned to review the selection process of those projects<sup>40</sup>. Until November 2012, the Palli Karma Sahayak Foundation had also approved US\$ 2.49 million for 55 projects implemented by NGOs/CSOs with Trust Fund funding. Projects geared towards food security, social protection and health have received 22 projects worth US\$ 0.96 million, representing 38 per cent of total funds approved for NGOs; a total of seven disaster management projects have received US\$ 0.60 million (24.16 per cent of available funds); and 18 mitigation and low carbon development projects are worth US\$ 0.53 million (21.17 per cent of total funds approval by the Palli Karma Sahayak Foundation).<sup>41</sup> After the selection of 55 projects eight new NGO projects have recently been approved. Further details are not publically available.

TI Bangladesh was unable to compile complete information on climate change projects implemented by NGOs, CSOs or private entities that are not channelled through the country's Trust Fund, as there is no system in place to record and track these funding flows. A separate web portal<sup>42</sup> for the Community Climate Change Programme exists but does not include any details on projects, project selection criteria, selection processes or evaluation reports. CSOs and NGOs are obliged to report to the Government of Bangladesh NGO Affairs Bureau on the funds they receive from multilateral and bilateral sources, however this information is not available in the public domain, and climate finance funds are not disaggregated from other sources.

### **Multilateral agencies**

Multilateral agencies collaborate with government ministries in the implementation of various projects funding by multilateral funds; for example the Least Developed Country Fund under the Global Environment Fund is implemented by the UN Development Programme in conjunction with the Ministry of Environment and Forest. Adaptation projects under the Climate Investment Fund's Pilot Programme for Climate Resilience are implemented by the Ministry of Environment and Forest, the Bangladesh Water Development Board and the Local Government and Engineering Department with support in terms of strategic direction and funding decisions from the Multilateral Development



Banks and other development partners, especially the Canadian International Development Agency, the UN Development Programme and the UK's Department for International Development.

## MONITORING, CONTROL AND OVERSIGHT

Monitoring, oversight and enforcement actors refer to those actors who play a role in monitoring the use of climate finance by actors responsible for its management and expenditure. This encompasses a broad number of actors, many of whom have a cross-government function in overseeing financial flows, implementation, procurement, ethics and corruption. Each is outlined in brief below.

- The Office of Comptroller and Auditor General is Bangladesh's supreme audit institution, responsible for conducting an annual audit of all activities under the consolidated funds of the Republic, including climate finance projects implemented by public bodies in Bangladesh, whether financed by national or international climate finance. Thus far no audit reports for climate finance projects implemented by public bodies have been carried out or disclosed. Climate funds implemented by NGOs or multilateral agencies have separate procedures for auditing and it is currently unclear how NGO-implemented projects under the Resilience Fund and Trust Fund are to be audited.
- The Parliamentary Standing Committee on Environment and Forest Affairs serves a parliamentary cross-party oversight function for climate finance policy and governance in Bangladesh. The Committee's mandate is to develop linkages between lawmakers, bureaucrats, local government representatives, opinion builders, business communities, CSOs and NGOs to promote a greater understanding and cooperation climate change activities in the country.<sup>43</sup> In the Parliamentary Standing Committee's last (53<sup>rd</sup>) meeting held in May 2013 irregularities the Trust Fund were underscored and the significance of the proper prioritisation of fund disbursement emphasised.
- The Implementation Monitoring and Evaluation Division of the Ministry of Planning is the central government body for monitoring and evaluating all public sector development projects (including climate finance projects) in the Annual Development Programme.<sup>44</sup> In the case of Trust Fund projects, the Fund's Secretariat submitted information pertaining to four completed projects to the Implementation Monitoring and Evaluation Division for evaluation. TI Bangladesh found, however, that the process of evaluation has not yet been initiated due to capacity constraints. For multilateral and bilateral funds, the process differs. Here the implementing body identifies and employs an executing agency to assess and monitor project outputs.
- The Central Procurement Technical Unit, situated within the Implementation, Monitoring and Evaluation Division of the Ministry of Planning, is the government agency responsible for public procurement policies, and for monitoring and assuring compliance with the Public Procurement Act. The Unit monitors and evaluates all government-implemented projects by randomly cross-checking tender orders. All government implemented projects are liable for this monitoring under the Unit, except for Resilience Fund- or multilateral development bank funded projects, which follow World Bank or multilateral development bank procurement guidelines in compliance with national procurement rules. However, in practice the Unit has limited authority to ensure compliance with procurement rules due to political influence over

bidding processes. The World Bank has initiated a third party monitoring process to oversee implementation, but its effectiveness is not ensured should bidders and local officials not wish to cooperate. Furthermore, the Central Procurement Technical Unit has not initiated any monitoring processes that engage affected communities or CSOs for climate funded projects.

- The Anti-Corruption Commission works to control corruption through targeted investigative and prosecution actions. The Commission is mandated as an independent, self-governed and neutral entity and can prosecute public officials under the Offences under Anti-Corruption Commission Act 2004 and the Prevention of Corruption Act 1947. The acts are also applicable for ensuring integrity in climate financed projects. There is, however, some concern regarding the under resourcing of this body and its degree of independence in practice from the governing political parties. A recent amendment to the Anti-Corruption Commission Act also means that the Commission has to seek the government's permission before legal proceedings against any public official alleged to have committed corruption.<sup>45</sup>

## CONCLUSIONS

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Climate experts in Bangladesh are concerned that, despite Bangladesh's acute vulnerability to the effects of climate change, developed countries may not deliver on their climate finance pledges if there is any doubt that that money will be used effectively.<sup>46</sup> Ensuring that it is will require a number of reforms to the status quo. Six key underlying concerns emerged from TI Bangladesh's research. These issues are summarised below and recommendations for how they may be addressed are outlined in the next section.

- The absence of any consolidated database of climate financed projects in Bangladesh made the process of uncovering the amounts of climate finance flowing on the ground extremely cumbersome. Contradictory information supplied by different sources – from government ministries, donor websites and initiatives such as [climatefundsupdates.org](http://climatefundsupdates.org) – made it very challenging for the research team to accurately define and independently verify the amount of climate finance in the country.
- The Government of Bangladesh does actively disclose some information on climate finance, specifically regarding the number of climate finance projects, the amount of funds received both by state and non-state actors, and summaries of selected projects from the Bangladesh Climate Change Trust Fund and the Bangladesh Climate Change Resilience Fund. However, other relevant information regarding decision making processes, roles played by distinct actors, and project evaluation reports and audits, are not actively disclosed and were in some cases not made available on request by TI Bangladesh's research team. This could of course be due to capacity restraints but greater efforts should be made to increase transparency and improve coordination between responsible entities.
- TI Bangladesh encountered a particular transparency deficit with regards to decision making processes for climate finance allocation. TI Bangladesh sent Right to Information requests for further clarification to the Resilience Fund, but these were passed between the

World Bank (which acts as interim Secretariat to the Fund) and the Ministry of Environment and Forest and other concerned agencies without satisfactory answers. This suggests that it is unclear which actors are responsible for holding and disclosing what information, complicating the accountability of decisions made. Under both the Resilience Fund and the Trust Fund, project applicants have no way of knowing the selection process, namely why or why not their projects were chosen. Given recent scandals in the press about political influence and conflicts of interest playing a role in the allocation of climate resources, as highlighted in a recent study by TI Bangladesh,<sup>47</sup> greater transparency is required to ensure that decision making processes are clean and fair.

- Civil society involvement in climate finance policy development, decision making processes and project monitoring is currently limited, and should be harnessed more proactively by the Government of Bangladesh. There is civil society representation on the Resilience Fund and Trust Fund's decision making bodies, but these representatives are selected by the Government and their independence and impartiality is in question. Greater provisions for independent oversight should be made at the project level also. A case uncovered by TI Bangladesh where cyclone resilient housing was inadequately constructed due to corruption on the part of contracted companies, is evidence of the need for greater vigilance at the local level, and better consultations and feedback mechanisms for affected communities throughout the project cycle.
- There is weak coordination between funding entities operating in Bangladesh. The Trust Fund and Resilience Fund do not, for example, consult with each other on the selection of projects and allocation of funds. It has been alleged that some projects rejected by the Resilience Fund due to weak project documents were subsequently approved by the Trust Fund as a result of political interference.
- Weaknesses exist in systems for the oversight and control of corruption, which could allow corruption cases to go unchecked. There is no ombudsman system in Bangladesh and there are concerns regarding the capacity and independence of the Anti-Corruption Commission to tackle cases of corruption and fraud in climate finance delivery. The Resilience Fund and Trust Fund do not have complaints mechanisms or anti-corruption hotlines that would allow victims and witnesses of corruption to denounce corruption where they see it occurring.

# RECOMMENDATIONS

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## For government:

- Ensure that information regarding the disbursement and management of climate finance flows is proactively disclosed on institutional websites. In particular, information on decision making processes, and project audits and evaluation reports should be made available to the public to allow for greater accountability in climate finance delivery at the national level.
- Develop an integrated system for project and programme selection between national, multilateral and bilateral funds that allows for greater coordination in funding decisions and resource allocation, and that ensures a transparent, democratic and participatory approach to climate finance allocation and delivery. Such a system should facilitate the active participation of CSOs, governmental and non-governmental implementing agencies, affected communities and development partners.
- Allow for the greater participation of CSOs(that can demonstrate that they are not subject to conflictsofinterest) and affected communities in policy formation and project selection, approval and monitoring. Local level civil society organisations can play a key supporting role to ensure that affected populations are informed and engaged throughout the cycle of climate financed projects, from initial funding decisions through the implementation of projects to the final evaluation. They can also help identify instances of corruption and fraud, as evidenced by TI's monitoring of climate finance projects.
- To adapt the country's 'Code of Integrity, Transparency and Governance' so as to ensure the compliance of all concerned stakeholders to climate finance related international agreements, national policies and regulations.
- Support the institutional strengthening of national agencies to ensure more transparency and more accountable management of climate finance in Bangladesh. The Bangladesh Climate Change Trust Fund Secretariat should be fully staffed with expert, qualified staff as soon as possible. The future of the Resilience Fund Secretariat should also be determined as soon as possible.
- Establish a robust system to follow up on and provide redress for the complaints and concerns of victims and witnesses of corruption in the climate sector. Sanctions for corrupt acts should be clearly defined and duly enforced.

## For climate finance providers:

- Support transparency and accountability for climate finance at the national level by ensuring the up-to-date reporting and proactive disclosure of funds pledged and disbursed in Bangladesh. Common guidelines for reporting should be employed to contribute to the easy tracking of climate finance at the national as well as international level.



#### For civil society:

- Engage with TI Bangladesh and its Climate Finance Governance Network to use lessons learned and recommendations from this study in advocating for advances in access to information, effective management and greater accountability for the use of climate finance at the national level.
- Report to the Government NGO Bureau of Bangladesh on climate finance funding received by NGOs and CSOs, and advocate for the Bureau to actively disclose disaggregated data on climate finance projects implemented in the country.
- Support the efforts of TI Bangladesh and its Climate Finance Governance Network partners to monitor climate finance project implementation and to establish citizen forums that seek to ensure accountability to and the inclusion of climate finance stakeholders at all levels.

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## Key interviews

Dr. Qazi Kholiquzzaman Ahmad, Chairman, Palli Karma-Sahayak

Dr. M. Asaduzzaman, Former Research Director, Bangladesh Institute of Development Studies

Dr. Ahsan Uddin Ahmed, Executive Director of Centre for Global Change (CGC), Dhaka

Dr. Aparup Chowdhury, Joint Secretary (Environment), Ministry of Environment and Forests

Dr. Nasir Uddin, Joint Secretary, (Environment-1), Ministry of Environment and Forests (MoEF)

Dr. Monjurul Hannan Khan, Deputy Secretary (Environment-1), Ministry of Environment and Forests (MoEF)

Mr. Md. Zahirul Haque, Additional Secretary, Director General, Department of Relief and Rehabilitation, Disaster Management & Relief Bhaban

Mr. Nepur Ahmed, Director, Department of Relief and Rehabilitation, Disaster Management & Relief Bhaban

Mr. Fazle Rabbi Sadeque Ahmed, Climate Change Specialist, Palli Karma-Sahayak Foundation (PKSF)

Ms. Sayeeda Salim Tauhid, Sr. Monitoring and Evaluation Specialist, World Bank

Ms. Mehrin A. Mahbub, Communication Officer, World Bank

Mr. K. M. Maqsoodul Mannan, Consultant (ECRRP Project), World Bank

Ms. Faria Selim, Communication Specialist, World Bank

Engineer Mr. Rafiqul Islam, Deputy Project Director, ECRRP Project, Local Govt. Engineering Department (LGED)

Md. Siddiqur Rahman, Assistant Deputy Team Leader (ECRRP Project) Local Govt. Engineering Development (LGED), Barisal

Mr. Mahidul Islam, Project Director (Superintendent Engineer), Bangladesh Inland Water Transport Authority, BIWTA Bhaban

Mr. Md. Sofiuddin, Executive Engineer, Water Development Board, Kala para, Potoakhali

Mr. Md. Yunus Ali, Chief Conservator of Forests, Bangladesh Forest Department

Mr. Shaikh Mizanur Rahman, Deputy Chief Conservator of Forests, Forest Department

Mr. Md. Saidur Rashid, District Forest Officer, Social Forest Circle, Jessore Sadar, Jessore

Mr. Md. Shamsul Alam, Conservator of Forest, Social Forest Circle, Jessore Sadar



# ANNEXES

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## ANNEX 1: ABBREVIATIONS

<b>ADB</b>	Asian Development Bank
<b>AfDB</b>	African Development Bank
<b>BARC</b>	Bangladesh Agricultural Research Council
<b>BCAS</b>	Bangladesh Centre for Advanced Studies
<b>BCCRF</b>	Bangladesh Climate Change Resilience Fund
<b>BCCTF</b>	Bangladesh Climate Change Trust Fund
<b>BIDS</b>	Bangladesh Institute for Development Studies
<b>BWDB</b>	Bangladesh Water Development Board
<b>CCCP</b>	Community Climate Change Program
<b>CDM</b>	Clean Development Mechanism
<b>CDMP</b>	Comprehensive Disaster Management Program
<b>CEGIS</b>	Centre for Environmental and Geographic Information Services
<b>CIF</b>	Climate Investment Fund
<b>CPTU</b>	Central Procurement Technical Unit
<b>CSO</b>	Civil Society Organization
<b>CTF</b>	Clean Technology Fund
<b>DFID</b>	Department for International Development
<b>DMRD</b>	Disaster Management and Relief Division
<b>DOE</b>	Department of Environment
<b>EBRD</b>	European Bank for Reconstruction and Development
<b>EC</b>	European Commission
<b>EU</b>	European Union
<b>FACE</b>	Fund Authorization and Certificate of Expenditure
<b>FAPAD</b>	Foreign Aided Projects Audit Directorate

<b>FIP</b>	Forest Investment Program
<b>FSF</b>	First Start Financing
<b>GCCA</b>	Global Climate Change Alliance
<b>GCF</b>	Green Climate Fund
<b>GEF</b>	Global Environmental Facility
<b>GoB</b>	Government of Bangladesh
<b>IBRD</b>	International Bank of Reconstruction and Development
<b>IFC</b>	International Finance Corporation
<b>IMED</b>	Implementation, Monitoring and Evaluation Division
<b>IUCN</b>	International Union for Conservation of Nature
<b>LDCF</b>	Least Developed Countries Fund
<b>LGED</b>	Local Government Engineering Department
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MDB</b>	Multilateral Development Banks
<b>MDTF</b>	Multi Donor Trust Fund
<b>MoA</b>	Ministry of Agriculture
<b>MIE</b>	Multilateral Implementing Entity
<b>MoEF</b>	Ministry of Environment and Forest
<b>MoFA</b>	Ministry of Foreign Affairs
<b>MoFDM</b>	Ministry of Food and Disaster Management
<b>MoHFW</b>	Ministry of Health and Family Welfare
<b>MoWCA</b>	Ministry of Women and Children Affairs
<b>MoWR</b>	Ministry of Water Resources
<b>MRV</b>	Monitoring, Reporting and Verification
<b>NAPA</b>	National Adaptation Program of Action
<b>NGO</b>	Non-Government Organization
<b>NIE</b>	National Implementing Entity
<b>ODA</b>	Official Development Assistance
<b>PKSF</b>	Palli Karma Sahayak Foundation

<b>PPCR</b>	Pilot Program for Climate Resilience
<b>PRSP</b>	Poverty Reduction Strategy Paper
<b>RDCD</b>	Rural Development & Cooperative Division
<b>REDD</b>	Reducing Emissions from Deforestation and Forest Degradation
<b>SCCF</b>	Special Climate Change Fund
<b>SCF</b>	Strategic Climate Fund
<b>SPCR</b>	Strategic Program for Climate Resilience
<b>SREP</b>	Scaling-Up Renewable Energy Program
<b>TA</b>	Technical Assistance
<b>TPP</b>	Technical Project Proposal
<b>UNDP</b>	United Nations Development Program
<b>UNFCCC</b>	United Nations Framework Convention on Climate Change
<b>WARPO</b>	Water Resources Planning Organization
<b>WB</b>	World Bank

## ANNEX 2: BANGLADESH CLIMATE CHANGE TRUST FUND APPROVED PROJECTS

Ministry	# Projects	US\$ million	Percentage
Water Resources	58	86.31	45.24
Environment and Forest	23	30.79	16.14
LGRD and Cooperatives	28	24.76	12.98
Disaster Management and Relief	5	13.94	7.31
Agriculture	8	10.01	5.25
Power Energy and Mineral Resources	3	6.86	3.6
Shipping	4	6.47	3.39
Defense	3	3.55	1.86
PKSF	1	3.07	1.61
Health and Family Affairs	1	1.97	1.03
Science and I&CT	1	1.14	0.6
Chittagong Hill Tracts Affairs	2	1.05	0.55
Education	2	0.49	0.26
Women and Children Affairs	1	0.37	0.19
<b>TOTAL</b>	<b>140</b>	<b>190.78</b>	<b>100</b>

### ANNEX 3: BANGLADESH CLIMATE CHANGE RESILIENCE FUND APPROVED PROJECTS

Projects and programmes	Organisation	Thematic area	US\$ million	Status
Multipurpose Cyclone Shelter Construction Project	LGED	Infrastructure	25	Under Implementation
Community Climate Change Project	PKSF	6 Thematic Area (Adaptation Focused)	12.5	Under Implementation
Afforestation and Reforestation for Climate Change Risk Reduction in Coastal and Hilly Areas	FD	Mitigation-Adaptation and low carbon development	35	Under Preparation
Agricultural Adaptation in Climatic Risk Prone Areas of Bangladesh (Drought, Flood and Saline prone areas)	DAE	Mitigation-Adaptation and low carbon development	22.8	Under Preparation
Detailed Design and Environmental Studies for Construction of Urir Char – Noakhali Cross Dam	BWDB	Infrastructure	0.7	Under Preparation
Solar Irrigation Project	PDB	Mitigation-Adaptation and low carbon development	25	Under Preparation
Bangladesh Modern Food Storage Facilities Project (BMFSFP)	Food Directorate	Food Security, Social Protection and Health	25	Under Preparation



Projects and programmes	Organisation	Thematic area	US\$ million	Status
Secretariat for BCCRF	MoEF	Capacity Building and Institutional Strengthening	0.2	Under Implementation
Urban Flooding of Greater Dhaka Area in a Changing Climate: Vulnerability, Adaptation and Potential Coasts	World Bank Executed (Study)	Research and Knowledge Management	0.5	MC Approved
Impact of Climate Change on Vector Borne Diseases and Implications for the Health Sector	World Bank Executed (Study)	Research and Knowledge Management	0.2	MC Approved
Programs and Projects administration ( August 2010-December 2014)	World Bank executed	Administration	4.1	Allocated
Coastal Zone in a Changing Climate: Ingress of Salinity Frontier	World Bank executed	Research and Knowledge Management	0.5	Disbursed
<b>TOTAL</b>			<b>147.4</b>	

## ANNEX 4: GLOBAL ENVIRONMENT FACILITY TRUST FUND APPROVED PROJECTS

Project name	Theme	Implementing agencies	Funder	Approved Year	Approved (US\$ million)	Disbursed (US\$ million)
Prepare its Initial National Communication in Response to its Commitments to UNFCCC	Climate Change	MoEF& USAID	GEF Trust Fund	1st phase July 2000-December 2002, 2nd Phase March 2008-August 2010	0.18	0.18
Rural Electrification and Renewable Energy Development	Climate Change	Rural Electrification Board (REB) & IBRD	GEF Trust Fund	Approval Date is July 2002-Closing Date Dec 2012	8.2	8.2
Improving Kiln Efficiency in the Brick Making Industry in Bangladesh	Mitigation - general	DOE & IBRD	GEF Trust Fund (GEF 4)	2010	3	3
Development of Sustainable Renewable Energy Power Generation	Mitigation - general	Ministry of Power, Energy and Mineral Resources	GEF Trust Fund (GEF 5)	2011	4.08	0
ASTUD: Greater Dhaka Sustainable Urban Transport Corridor Project	Multiple foci	Ministry of Communications	GEF Trust Fund (GEF 5)	2012	4.63	4.63
<b>TOTAL</b>					<b>20.09</b>	<b>16.01</b>

## ANNEX 5: LEAST DEVELOPED COUNTRY FUND APPROVED PROJECTS

Project name	Theme	Implementing agencies	Funder	Approved Year	Approved (US\$ million)	Disbursed (US\$ million)
National Adaptation Programme of Action	Adaptation	UNDP Bangladesh & MoEF	LDCF	2003	0.2	0.2
Community Based Adaptation to Climate Change through Coastal Afforestation	Adaptation	UNDP Bangladesh & MoEF	LDCF	2008	3.3	3.3
Integrating Community-based Adaptation into Afforestation and Reforestation Programmes in Bangladesh	Adaptation	UNDP Bangladesh & MoEF	LDCF	2011	5.65	0
<b>TOTAL</b>					<b>9.15</b>	<b>3.5</b>

## ANNEX 6: PILOT PROGRAMME FOR CLIMATE RESILIENCE APPROVED PROJECTS

Project name	Theme	Fund Type	Source of Fund	National Implementer	Approved	Approved (US\$ million)	Disbursed (US\$ million)
Climate Change Capacity Building and Knowledge Management Technical Assistance (preparation grant)	Adaptation	Grant	ADB	MoEF	2011	0.5	0
Climate Resilient Infrastructure Improvement in Coastal Zone Project	Adaptation	Grant	ADB	LGED	2012	30	0
Climate Resilient Infrastructure Improvement in Coastal Zone Project (Project Preparation Grant)	Adaptation	Grant	ADB	LGED	2012	0.6	0
Coastal Climate Resilient Water Supply, Sanitation, and Infrastructure Improvement (preparation grant)	Adaptation	Grant	ADB	LGED	2011	0.6	0.19

Project name	Theme	Fund Type	Source of Fund	National Implementer	Approved	Approved (US\$ million)	Disbursed (US\$ million)
Coastal Embankments Improvement and Afforestation (preparation grant)	Adaptation	Grant	World Bank	BWDB jointly with The Forest Department & the Bangladesh Forestry Research Institute	2011	0.11	0
Feasibility Study for a Pilot Program of Climate Resilient Housing in the Coastal Region (preparation grant)	Adaptation	Grant	IFC	MOFDM/LGED	2011	0.4	0
Promoting Climate Resilient Agriculture and Food Security (preparation grant)	Adaptation	Grant	IFC	Dept. of Agricultural Extension Bangladesh Meteorological Department	2011	0.1	0
<b>Total</b>						<b>32.31</b>	<b>0.19</b>

## ANNEX 7: JAPAN FAST START FUNDING APPROVED PROJECTS

Project	Theme	Fund Type	Source of Funds	Implementer	Approved	Approved (US\$ million)	Disbursed (US\$ million)
Bheramara Combined Cycle Power Plant Development Project	Mitigation - general	Loan	Japan Fast Start Finance	North-West Power Generation Company. Ltd. (NWPGL)	2010	19.21	0
Khulna Water Supply Project	Adaptation	Loan	Japan Fast Start Finance	Khulna Water Supply and Sewerage Authority (KWASA)	2011	136.8	0
Programme for the Improvement of Capabilities to Cope with Natural Disasters Caused by Climate Change	Adaptation	Grant	Japan Fast Start Finance	Unknown	2010	13.04	0
Rural electrification up gradation project	Mitigation - general	Loan	Japan Fast Start Finance	Rural Electrification Board	2010	115.14	0
<b>Total</b>						<b>284.19</b>	<b>0</b>



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<sup>1</sup><http://maplecroft.com/about/news/ccvi.html>

<sup>2</sup> Coastal systems and low-lying areas, Climate Change 2007: Impacts, Adaptation and Vulnerability, IPCC, 2007

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<sup>4</sup> Transparency International (2012), Corruption Perceptions Index (CPI), Berlin, Germany. Available at: <http://cpi.transparency.org/cpi2012/results/>.

<sup>5</sup> <http://www.ti-bangladesh.org/files/HHSurvey-ExecSum-Eng-fin.pdf>

<sup>6</sup> At the 2012 climate conference in Doha the Conference of Parties decided to extend the work programme on long-term finance for another year, "with the aim of informing developed country Parties in their efforts to identify pathways for mobilizing the scaling up of climate finance to USD 100 billion per year by 2020 from public, private and alternative sources in the context of meaningful mitigation actions and transparency on implementation and informing Parties in enhancing their enabling environments and policy frameworks to facilitate the mobilisation and effective deployment of climate finance in developing countries." (<http://unfccc.int/resource/docs/2012/cop18/eng/08a01.pdf>, clause 69).

<sup>7</sup> 2010 *Global Corruption Report: Climate Change*, Transparency International (2011).

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<sup>9</sup> [http://unfccc.int/cooperation\\_support/financial\\_mechanism/fast\\_start\\_finance/items/5646.php](http://unfccc.int/cooperation_support/financial_mechanism/fast_start_finance/items/5646.php)

<sup>10</sup> Transparency International (2012), National Climate Finance: A Governance Risk Assessment Toolkit, Berlin, Germany (unpublished).

<sup>11</sup> The second step of the research process, this analysis entails carrying out an assessment of the institution against 16 indicators across four criteria of transparency, accountability, integrity and capacity.

<sup>12</sup> The Right to Information (RTI) Act was introduced in Bangladesh in 2009

<sup>13</sup> BCCSAP. (2009). *Bangladesh Climate Change Strategy and Action Plan*. Dhaka: Ministry of Environment and Forest.

<sup>14</sup> Ibid

<sup>15</sup> <http://pubs.iied.org/17151IIED.html>

<sup>16</sup> Hedger, M., Lee, J., Islam, N. K., Islam, T., Khondkher, R., & Rahman, S. (2012). Bangladesh Climate Public Expenditure and Institutional Review.

<sup>17</sup> <http://bccrf-bd.org/Project.html>

<sup>18</sup> <http://www.pksf-cccp-bd.org/>

<sup>19</sup> <http://www.climatefundsupdate.org/listing/pilot-program-for-climate-resilience>

<sup>20</sup> IIED, April 2013, Climate Investment Funds, understanding the PPCR in Bangladesh and Nepal

<sup>21</sup> Chaired by the Ministry of Environment and Forest, members include Ministers from the Ministry of Finance, Ministry of Agriculture; Ministry of Disaster Management and Relief; Ministry of Foreign Affairs; Ministry of Women and

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Children Affairs; Ministry of Water Resources; Ministry of Shipping; Ministry of Health and Family Welfare; Ministry of Local Government, Rural Development and Cooperatives; Cabinet Secretary, Cabinet Division; Governor of Bangladesh Bank; Secretary of the Finance Division of the Ministry of Finance; and two climate change specialists (nominated by the government).

<sup>22</sup> <http://www.moef.gov.bd/Climate%20Change%20Unit/Government%20Gazettes%20Climate%20Change%20Trust%20Fund%202023-02-2010.pdf>

<sup>23</sup> Chaired by the Ministry of Environment and Forest. Members include Ministers from the Ministry of Agriculture; Ministry of Food and Disaster Management and Relief; Ministry of Foreign Affairs; Ministry of Health and Family Welfare; Economic Relations Division, Ministry of Finance; Ministry of Planning; Secretaries from Prime Minister's Office; Two representatives from Contributing Development Partners; Two representatives from Civil Society. The Country Director of the World Bank is an observer

<sup>24</sup> Equitybd. (2012). *Don't Allow World Bank Fiduciary Management in Bangladesh Climate Change Resilience Fund (BCCRF)*. Retrieved from [http://www.equitybd.org/images/stories/campaign\\_event/Press%20conference%2010052012/English%20Position\\_WB%20and%20BCCRF\\_for%2010th%20May%20press%20conf.pdf](http://www.equitybd.org/images/stories/campaign_event/Press%20conference%2010052012/English%20Position_WB%20and%20BCCRF_for%2010th%20May%20press%20conf.pdf)

<sup>25</sup> <http://www.erd.gov.bd/index.php>

<sup>26</sup> The Technical committee, comprising of seven members - two representatives from Ministry of Environment and Forest, a senior representative from the Economic Relations Division, a representative from the Planning Commission, two representatives from contributing Annex-1 countries, a representative from the World Bank and a representative from civil society.

<sup>27</sup> <http://siteresources.worldbank.org/INTBANGLADESH/Resources/AboutBCCRF.pdf>

<sup>28</sup> <http://siteresources.worldbank.org/BANGLADESHEXTN/Resources/295759-1312851106827/ClimateFundOnePager.pdf>

<sup>29</sup> The Technical Committee includes the Joint Secretary of the Ministry of Environment and Forests, Bangladesh Climate Change Trust (BCCT) focal point, representative from the Planning Wing of the Ministry of Environment and Forest, the climate change focal point in the Planning Commission, two expert representatives from Department of Environment (DOE), two representatives from CSOs, one representative from the Climate Change Study Division (CEGIS), and one representative from the Forest Department.

<sup>30</sup> <http://www.pksf-cccp-bd.org/>

<sup>31</sup> [http://ti-bangladesh.org/images/cfg\\_executive\\_summary\\_english.pdf](http://ti-bangladesh.org/images/cfg_executive_summary_english.pdf)

<sup>32</sup> <http://www.clickitfaq.com/editorial-oped/expenditures-of-climate-change-funds-needs-more-transparency/>

<sup>33</sup> It is noted that out of 107 projects, the Chittagong district has received the highest proportion - 17 projects totalling US\$ 22 million (14.11% of the total national allocation). Some NGOs and CSOs have stated their concerns over this weighting given that a number of other vulnerable districts have been neglected in terms of project and fund allocation.

<sup>34</sup> <http://www.prothom-alo.com/detail/date/2011-03-23/news/140885>

<sup>35</sup> <http://www.prothom-alo.com/detail/news/140885>

<sup>36</sup> TI Bangladesh cannot, however, confirm that this was the exact due to an unavailability of information.

<sup>37</sup> Transparency International Bangladesh (2012), *Challenges in Climate Finance Governance and the Way Out* [http://www.ti-bangladesh.org/files/CFG-Assesment\\_Working\\_Paper\\_english.pdf](http://www.ti-bangladesh.org/files/CFG-Assesment_Working_Paper_english.pdf)

<sup>38</sup> [http://ti-bangladesh.org/images/cfg\\_executive\\_summary\\_english.pdf](http://ti-bangladesh.org/images/cfg_executive_summary_english.pdf)

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<sup>39</sup> <http://archive.prothom-alo.com/detail/date/2012-08-01/news/278463>

<sup>40</sup> <http://www.pksf-cccp-bd.org/images/download/CCCP%20Communique-1.pdf>

<sup>41</sup> Analysis done from a list received from the Palli Karma-Sahayak Foundation .

<sup>42</sup> <http://www.pksf-cccp-bd.org/2013-04-02-07-40-18.html>

<sup>43</sup> Chowdhury & Challen, 2009

<sup>44</sup> <http://www.imed.gov.bd/>

<sup>45</sup> <http://www.thedailystar.net/beta2/news/acc-toothless/>

<sup>46</sup> <http://www.trust.org/item/?map=anti-graft-group-to-track-bangladesh-climate-spending>

<sup>47</sup> [http://ti-bangladesh.org/images/cfg\\_executive\\_summary\\_english.pdf](http://ti-bangladesh.org/images/cfg_executive_summary_english.pdf) and [http://www.ti-bangladesh.org/files/CFG-Assesment\\_Working\\_Paper\\_english.pdf](http://www.ti-bangladesh.org/files/CFG-Assesment_Working_Paper_english.pdf)

