

## **Bangladesh Climate Change Trust Fund Policy: Challenges and Way Forward**

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### **Abstract**

Off late, climate change is seen as the most perplexing worldwide threat to international humanity. So increasing and quicker the climate changes, the more possible it is that they will have a detrimental impact. The global community always acknowledges that Bangladesh tops the list on the world's most endangered nation's index. Given recent achievements to economic development, Bangladesh faces difficulties raised by global warming in its ability to maintain its growth.

The Bangladesh Climate Change Trust Fund (BCCTF) was established from the country's budget in 2010 to execute the implementation plan outlined in BCCSAP. To manage the fund, Bangladesh Climate Change Trust (BCCT) has been set up under Bangladesh Change Trust Act 2010. Both BCCSAP and BCCTF have been considered a unique initiative to address climate change. A strong demand has been put to the forefront to assess with appropriate tools and frameworks the effectiveness of the outcomes of BCCTF spending. Effective and efficient utilization of it is very much important. So it is important to identify the shortcomings of fund allocation practice and procedure of BCCTF whether reduction of fund allocation influencing effective utilization of BCCTF.

The study shows that there are many challenges to make Declining Fund Flow the gradual decline of fund allocation has become a serious challenge for funding the proposal. It makes negative impact on project goal. Many important project proposal on climate change are not being considered due to fund shortage. Funds are not allocated according to geographical vulnerability rather on biasness of members. Institutional weakness and absence of strong monitoring system are also challenges for effectiveness of Bangladesh Climate Change Trust Fund.

In order to make the Trust Fund more effective government fund allocation must be increased. BCCT should be looking for global finance mechanism in order to fill up the financing gaps. There must be some policy reform and updating especially BCCSAP, Climate Change Trust Act, Climate Change Trust Fund Policy and guidelines which have failed to ensure distribution of fund according to geographical vulnerability. Besides institutional capacity has to be strengthened with the development of strong monitoring tool.

Bangladesh is the first country that established Climate Change Trust Fund with its own resources. Many countries follow this model and the Honorable Prime Minister has been awarded Champions of the earth by the United Nations for her outstanding performance in climate change. It has developed different policy and legal framework such as Climate Change Trust Act, 2010, Bangladesh Climate Change

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Strategy and Action Plan 2009, Climate Change Trust Fund Policy, 2010. All these are an outstanding platform to tackle effectively climate change issues.

## 1. Introduction

Now a days, climate change is seen as the most perplexing worldwide threat to international humanity. So increasing and quicker the climate changes, the more possible it is that they will have a detrimental impact. The Intergovernmental Panel on Climate Change's Fourth Assessment Report (IPCC 2007) has quashed several ambiguities regarding climate change. Global warming is now undeniable. It is now apparent that global climate change are mostly caused by man-made greenhouse emissions. The IPCC report includes extensive 21st century's predictions so these demonstrate that global climate change will proceed and intensify. The current projections reveal that, by 2100, the Earth will rise by 3°C. Even though nations curb their emissions of greenhouse gases, the Earth would keep warming. In global mean temperatures, forecasts vary from a minimum of 1.8 °C to as much as 4 °C by 2100. The global community always acknowledges that Bangladesh tops the list on the world's most endangered nation's index. Given recent achievements to economic development, Bangladesh faces difficulties raised by global warming in its ability to maintain its growth (Ahmed and Haque, 2002).

Climate change is the 21st century's greatest global health threat, and is rapidly recognized as a public health priority (WHO, 2009; Lancet, 2011; Young et al., 2002; Yongyut, 2009). Climate variable are vital environmental factors which determine the ecological niches of tree species and their distribution patterns (Avisé, 2000; IPCC, 2001; Yongyut, 2009). Climate change will have its biggest impact on those nations that are already the world's poorest, and will exacerbate inequities, and the effects of global warming will shape the future of health among all peoples. None the less, this message has failed to convey much public debate on climate change (The Lancet, 2011). Earth's average surface temperature increases over the course of this century are likely to exceed the healthy level of 2°C above the pre-industrial average.

Bangladesh has built certain ability to address the consequences of climate change at the national level, and political responses have also been designed to address susceptibility to ecological instability in common and, more lately, climate change in specific to address the uncertainties of global warming. The Bangladesh Climate Change Trust Fund (BCCTF) was established from the country's budget in 2010 to execute the implementation plan outlined in BCCSAP. To manage the fund, Bangladesh Climate Change Trust (BCCT) has been set up under Bangladesh Climate Change Trust Act 2010. Both BCCSAP and BCCTF have been considered a unique initiative to address climate change. Bangladesh government through the BCCTF allocates money for financing both GO and NGO projects on Climate Change adaptation and mitigation programs.

Climate financing has been gaining significance around the globe. State climate funds have four distinct purposes, according to the UNDP guidebook (UNDP, 2011). Collecting and allocating funds to meet climate change targets, mixing funds from multiple funding sources, along with public, private, bilateral, multilateral, etc., coordinating country-wide climate change activities with flexibility to make best use of potentially uncertain funding options, building the capacity of national implementing organizations and other organizations. In addition to functioning as the recipient end point of global financing pipelines, national climate financing should be setup in line with national climate policies by national stakeholders (government, civil society and the private sector), taking into consideration the particular synergies with development plan and financial support (UNDP 2011). The UNDP Guidebook (2011) lists the following lessons in the functionality of efficient national climate financing: clearly identifying the fund's processes, making sure that the goals are well characterized and logical, having reasonable expectations of capitalization, developing as implied project cycle, engaging stakeholders to identify needs and requirements, ensuring unequivocal assessment and performance.

Funding from own resources for addressing climate change impacts is a new phenomenon for Bangladesh. A strong demand has been put to the forefront to assess with appropriate tools and frameworks the effectiveness of the outcomes of BCCTF spending. Effective and efficient utilization of it is very much important. So it is important to identify the shortcomings of fund allocation practice and procedure of BCCTF and whether reduction of fund allocation influencing effective utilization of BCCTF. A frequent complaint of the fund is that programs are chosen without the participation of shareholders. The views of the recipients in general are not taken into account. It has also been observed that the distribution of government fund decreasing each year. At the same time, revenue predicted from BCCTF's fixed assets has been declining each year due to a significant reduction in savings interest rate. And there are many important projects not being considered. In addition, the required fund allocation for most of the projects is being lowered by the Trustee Board due to a lack of funds which forces many organizations to lower production targets. So it is important to identify the shortcomings of fund allocation practice and procedure of BCCTF and whether reduction of fund allocation influencing effective utilization of BCCTF.

The objectives of this research were: i) to review the fund allocation practice and procedure of Bangladesh Climate Change Trust Fund; ii) to identify the challenges for effective utilization of the fund; iii) and to recommend way forward to overcome the challenges.

This study fulfils the research gap on utilization and effectiveness of Climate Change Trust Fund. It will also help policy makers to understand the process, priority and ways of utilization of climate change fund in different projects. By identifying the loopholes and proposing some recommendations in this paper, the policy makers will be able to prepare an empirical framework for fruitful utilization of the fund.

## 2. Methodology

In fulfilling the objectives set to explore in the study, the method was both qualitative and quantitative data analysis. It was done keeping in mind the purpose of the research, the objectives and the time that was allocated for completing the research. Both the primary and secondary sources were used to collect data.

Primary data was collected by inter viewing the Key Informants of Bangladesh Climate Change Trust (BCCT) officials through a semi-structured open ended questionnaire.

An extensive review of various climate change and sea level rise related literatures, documents and related web sites were being searched to collect latest information about the research issue.

## 3. Policies, Practice and Procedure of Climate Change Trust Fund

CCT transfer and payment of funds is performed by usage of a number of specific guidelines. The proposal application, project review, project authorization, distribution of funds and supervision and assessment are dealt with by distinct entities at various levels.

### 3.1. Fund Management Body

#### 3.1.1. The Trustee Board:

The Trustee Board, consisting seventeen representatives and chaired by the Minister, Ministry of Environment, Forest & Climate Change, is accountable for the entire administration of the BCCT and its functionalities.

Amongst the tasks of the Trustee Board are: authorization of projects on the use of 66% of the trust fund and interest of the leftover 34% and distribution of funds against authorized projects advised by the Technical Committee; strategy guidance and guidelines for the use of unded projects; guidelines to the Technical Committee on the acceptance of the yearly financial plan; financing of projects. Up-to-date 51 meetings of the Trustee Board have been held and total 658 Projects have been considered with amount of taka 323857.69 lac.

Table 1: Trustee Board Meeting Wise Project Numbers (Source BCCT)

TB Number	Project Numbers	Funding (Lac Taka)
2	03	3861.23
3	21	27277.53
4	08	4099.37
5	01	248.76
6	03	1299.44
7	04	7590.72
9	03	3563.25
10	04	6183.04
11	04	4266.56
12	04	5211.40

13	05	5817.61
14	06	8385.44
15	03	3037.97
16	05	7652.48
17	03	3301.28
18	05	2099.80
19	05	6972.77
20	04	3382.39
21	04	6390.20
22	04	3693.63
23	05	7057.47
24	04	2779.84
25	10	8871.58
26	10	9197.41
27	07	3563.62
28	20	11558.18
29	22	8051.85
30	11	5097.95
31	11	8198.96
32	11	6959.35
33	06	4900.00
34	11	3800.00
35	38	15467.27
36	25	12776.02
37	25	8635.75
38	12	4099.99
39	26	6170.42
40	09	1199.79
41	27	9202.43
42	16	5345.72
43	15	3283.00
44	13	2373.72
45	28	11428.35
46	31	8529.36
47	02	929.97
48	57	18062.09
49	53	8886.74
50	01	996.86
51	53	12099.13
<b>Total</b>	<b>658</b>	<b>323857.69</b>

### 3.1.2. The Technical Committee and Sub-committees:

The Technical Panel comprises of 13 representatives. The Secretary, MoEF & CC is its Chairperson and its Deputy Secretary (Environment 1) serves as the Secretary to Member. The Council is also composed of two experts from DoE, experts from civil society and non-governmental organizations and one CEGIS expert. It is charged with examining the project applications received and guiding the Trustee Board on the choice of projects, the formation of sub-committees where appropriate and the performance of any other tasks delegated to them.

### 3.1.3. Bangladesh Climate Change Trust

Under Climate Change Trust Act 2010, Bangladesh Climate Change Trust has been established in order to give secretariat service to Trustee Board, Total manpower is 83 which is headed by the Managing Director with one DMD, four Directors and a Secretary. The responsibilities of BCCT are to receive and initial examination of project documents and implement the decisions of the Board. It is also responsible to release fund and monitor the implementation of the projects. In fact the main responsibility is the fund management.

Up to date BCCT has received Taka 3800 crore from government budget and it has kept in FDR Taka 1293 crore as seed money. The interest received from seed money is used for BCCT administrative cost and other amount is added for projects. The table below gives a status of the whole fiscal transaction.

Table 2 : Climate Change Trust Fund Status (Source: BCCT)

Fiscal Year	Government Allocation (Crore)	Number of Projects	Fund kept as Seed Money	Interest Received	Fund Available for Projects
1	2	3	4	5	6
2009-10	700	32	341	4.8016	466.8016
2010-11	700	23	238	16.8202	478.8202
2011-12	700	36	238	83.7188	545.7188
2012-13	400	44	136	111.1013	375.1013
2013-14	200	75	68	162.1816	294.1816
2014-15	200	80	68	165.2127	297.2127
2015-16	100	72	34	153.011	219.0112
2016-17	100	71	34	141.47	207.4687
2017-18	100	61	34	109.9	175.9029
2018-19	300	111	102	81.5	279.5
2019-20	300	53	102	82	280
Total	3800	658	1293	1111.719	3619.719

### **3.2. Bangladesh Climate Change Strategy and Action Plan (BCCSAP)**

In 2009, the government of Bangladesh in order to address climate change issues, Bangladesh Climate Change Strategy and Action Plan (BCCSAP) has been introduced with ten years implementation period. This strategy is supposed to be implemented by Trust Fund and any project under the Fund should cover one or more of six thematic areas of BCCSAP. Till today, the Trustee Board has approved 658 projects which have been categorized in six thematic areas. The table below shows the status of thematic area wise allocation of fund.

Table 3: Thematic Area wise projects and fund allocation ( Source: BCCT)

<b>Sr. No</b>	<b>Thematic Area</b>	<b>Number of Project</b>	<b>Approved Cost (Lac Taka)</b>
<b>1</b>	Food Security, Social Protection and Health	93	42,167.83
<b>2</b>	Comprehensive Disaster Management	07	3,597.79
<b>3</b>	Infrastructure	407	209,658.60
<b>4</b>	Research and Knowledge Management	28	11,325.32
<b>5</b>	Mitigation and Low Carbon Development	114	52,036.17
<b>6</b>	Capacity Building and Institutional Strengthening	9	5,071.97
	Total	658	323,857.68

### **3.3. Project Selection and Fund Allocation Process**

There are many rules and guidelines are followed in project selection .such as Climate Change Trust Act, 2010, Bangladesh Climate Change Strategy and Action Plan 2009 , Climate Change Trust Fund Policy, 2010, checklist and instructions for approval and revision of the project.

At first step the initiating agency needs to prepare the project as per instructions and checklist covering thematic areas of BCCSAP. Then the line Ministry/Division process the project. After perusal of the document the administrative ministry Secretary has to sign the document as per project format. The administrative ministry sends the proposal to the Ministry of Environment, Forest and Climate Change. The Ministry then sent the proposals to BCCT for scrutinizing the documents as per checklist and send feedback to sender Ministry for correction if needed. After that BCCT take the proposal to Technical Committee headed by the Secretary, MoEF&CC. The Technical Committee examines the proposal as per BCCSAP thematic areas and also cost rationalization. After the recommendation of the Technical Committee the project proposals are taken to the Trustee Board for final

approval. In case of NGO projects, PKSF is entrusted to examine the project proposals and upon its recommendation, the Trustee Board takes decision.

**4. Study Findings and Discussion**

After reviewing fund allocation practice and procedure and analyzing primary as well as secondary data, following challenges have been identified for effective utilization of Climate Change Trust Fund.

**4.1. Declining Fund Flow**

Climate Change Trust Fund has started its journey in 2010 after the establishment of Bangladesh Climate Change Trust under Climate Change Trust Act 2010. Climate change projects under the Fund taken only from the fiscal year 2009-2010 i.e. for the last one decade. But the gradual decline off and allocation has become as serious challenge for funding the proposal. Since climate changes issues are getting complex day by day, it is expected that allocation of fund will increase. But the situation is reverse. BCCT is highly dependent on government annual budget allocation. Moreover the interest rate of the commercial banks has also been declining. The following table shows that since 2012-13 the government allocation is declining.

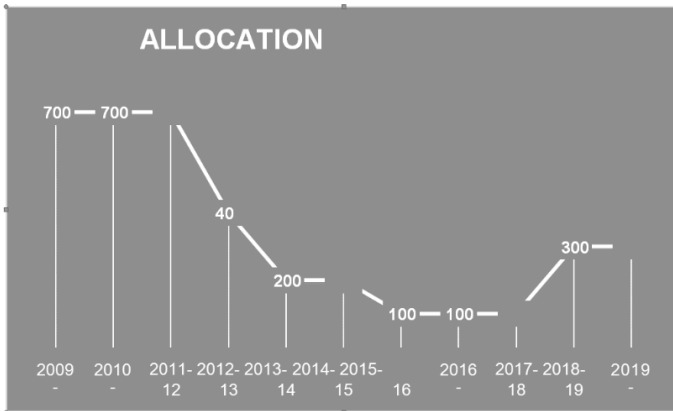
Table 4 Government Fund Allocation (Source: BCCT)

Till to date BCCT has received a total of taka 3800 crore in a decade. It is found that for first three fiscal years the allocation was 700 crore . But from 2012-13, sharp decline in allocation from 700 crore to 400 crore and 50% cut in next year. That decline continued till 2017-18 and from 2018- 19 the allocation increased.

Figure 1: Fund Flow Trend

<b>Fiscal Year</b>	<b>Allocation Amount(crore}</b>
<b>1</b>	<b>2</b>
<b>2009-10</b>	<b>700</b>
<b>2010-11</b>	<b>700</b>
<b>2011-12</b>	<b>700</b>
<b>2012-13</b>	<b>400</b>
<b>2013-14</b>	<b>200</b>
<b>2014-15</b>	<b>200</b>
<b>2015-16</b>	<b>100</b>
<b>2016-17</b>	<b>100</b>
<b>2017-18</b>	<b>100</b>
<b>2018-19</b>	<b>300</b>
<b>2019-20</b>	<b>300</b>
<b>Total</b>	<b>3800</b>



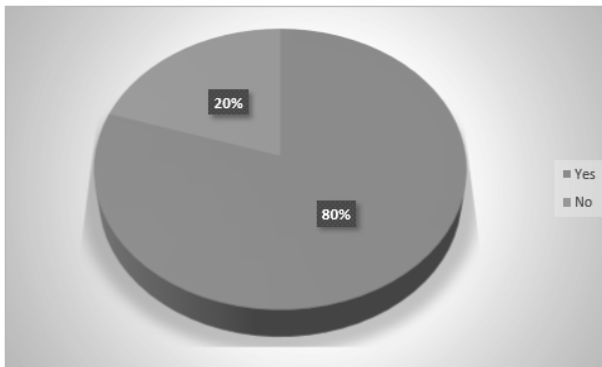


The above figure indicates sharp decline which is become a great challenge for Climate Change Trust Fund to address properly climate change issues in Bangladesh.

#### 4.2. Fund Flow Impact on Project Sustainability

BCCT officials have commented that reduction of proposed fund due to inadequate fund flow has anegative impacton sustainability and outcome of the project. Most of the respon dentssaidithas impact on sustainability of the projects.

Figure 2: Impact on ProjectSustainability



One key informant cited an example that suppose if a Bangladesh Water Board Project been proposed for 5 km embankment with cost of 10 crore, the Trustee Board allocates only 2 crore. So this curtailed allocation seriously affects the sustainability of that particular project. In the long run this embankment may not sustain and the money spent for will govain.

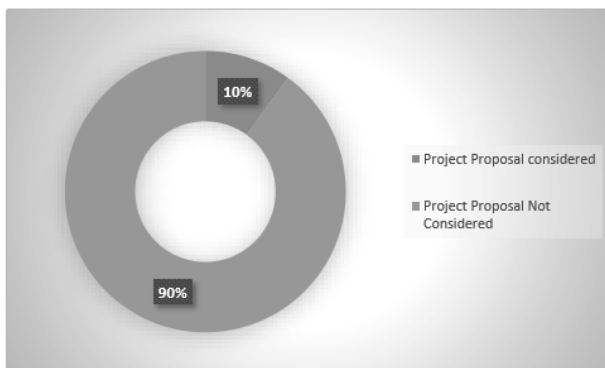
### 4.3. Fund Flow Impact on Projectgoal

In each project proposal, there must be logical framework which illustrates the the project objectives and goal. When an organization prepares a proposal it sets the goal on the basis of proposed budget. While the budget is curtailed by Trustee Board, it makes negative impact on project goal. Because if the length of embankment is being reduced due to fund shortage, the embankment may not serve the purpose. Such kind of proposal is usually made to protect certain area from rivererosionduetoclimatechange. Insuchcaseifthelengthhanddesignisnot properly maintained, it will not benefit the people. For this reason, many organization are reluctanttosubmit any proposal to BCCT.

### 4.4. Rejection of ImportantProject

Many important project proposal on climate change are not being considered. The respondents replied that 90% of the project proposals received from Ministries and Divisions are not being considered by the Trustee Board. This happens due to shortage of fund. Since climate change issues are aggravating day by day, increasing number of projects are being received by the Ministry of Environment, Forest and Climate Change.

Figure 3: Consideration of project proposal by Trustee Board



The above figure indicates that the number of projects being rejected by the Trustee Board is alarming. Because most of the projects are highly significant for adaptation and mitigation of climate change issues in Bangladesh. So straightforward rejection of project proposals for non- availability of fund is a great challenge.

### 4.5. Inequitable Fund Distribution

Another big challenge for Climate Change Trust Fund is inequitable fund distribution. From the table below we can easily understand that Chottogram, Bhola and Pirojpur have got the highest allocation. On the other hand other districts have received nominal number of projects.

Table 5: District wise Fund Allocation (Source: BCCT)

Sr. No	District Name	Project Number	Fund
1	2	3	4
1	Bagerhat	07	2350.00
2	Bandarban	03	600.00
3	Barguna	04	1250.00
4	Barisal	25	9002.58
5	Bhola	40	25425.67
6	Bagura	06	1800.00
7	Brahmanbaria	08	4197.55
8	Chandpur	11	6989.60
9	Chapainabaganj	09	1600.00
10	Chattagram	48	27868.29
11	Chuadanga	05	850.00
12	Kumilla	15	4898.77
13	Cox's Bazar	04	4363.51
14	Dhaka	26	13700.74
15	Dinajpur	18	5438.09
16	Faridpur	05	2000.00
17	Feni	10	2750.00
18	Gaibandha	06	2680.99
19	Gazipur	05	1300.00
20	Gopalganj	10	6381.51
21	Habiganj	04	700.00
22	Jamalpur	06	1903.76
23	Jessore	07	1111.83
24	Jhalokathi	08	4166.74
25	Jhinaidah	08	1219.44
26	Joypurhat	03	400.00
27	Khagrachari	02	269.47
28	Khulna	13	6290.56
29	Kishorganj	09	4698.70
30	Kurigram	03	600.00
31	Kustia	08	4000.00
32	Lakshmipur	03	1000.00
33	Lalmonirhat	01	200.00
34	Madaripur	12	7727.59
35	Magura	04	911.41
36	Manikganj	03	998.28
37	Meherpur	02	300.00
38	Moulvibazar	10	2019.00
39	Munshiganj	05	900.00
40	Mymensingh	14	5639.00

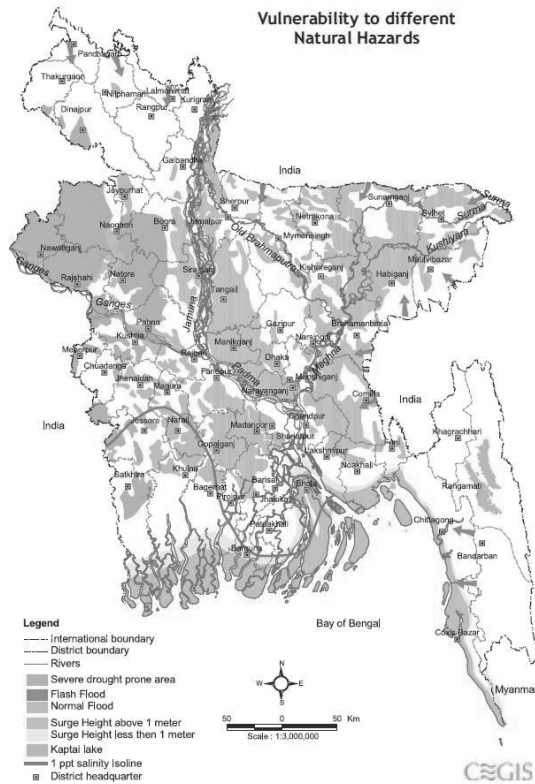
47	Nilphamari	04	799.00
48	Noakhali	15	3963.78
49	Pabna	04	479.99
50	Panchagarh	02	300.00
51	Patuakhali	15	8193.41
52	Pirojpur	38	18281.45
53	Rajbari	02	395.85
54	Rajshahi	23	6214.72
55	Rangmati	04	2553.00
56	Rangpur	08	2308.46
57	Satkhira	06	3975.32
58	Shariatpur	05	4851.00
59	Sherpur	05	2149.00
60	Sirajganj	11	6398.97
61	Sunamganj	05	3929.95
62	Sylhet	14	5201.12
63	Tangail	10	1765.69
64	Thakurgaon	06	2800.83
	Others	68	73814.01
	Total	658	323857.72

Some key inform ants replied that the members of the Trustee Board members are very influential. Most of the members are Ministers and the Board takes decision to accept or reject the proposal. So the Board Members prefer the projects of their own constituencies. The three districts i.e. that Chottogram and Pirojpur were represented by Board Chairman and Bholawas represented by Minister of that Ministry. Thus is easily indicates that influence of Board Members and their biasness has led to inequitable funddistribution.

#### **4.6. Less Emphasize on Climate VulnerableAreas**

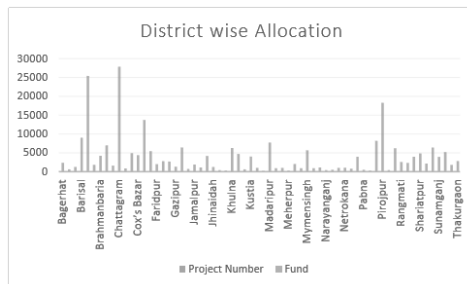
The objective of creating Climate Change Trust Fund was to undertake projects from our own resources to protect climate vulnerable areas. But the climate vulnerable districts have not been emphasized equally.

Figure 4: Climate vulnerable Districts in Bangladesh (Source: Mahmood ,2012)



For example Khulna, Bagerhat and Satkhira districts are highly vulnerable to salinity and tidal surge. But the fund allocation scenario indicates that these districts are not being emphasized accordingly.

Figure 5: Uneven distribution of Fund



The above figure shows that fund has not been distributed according to climate vulnerability. Only three districts have been emphasized as it was influenced by Board members in decision making process.

#### 4.7. Inefficient Project Management and Monitoring

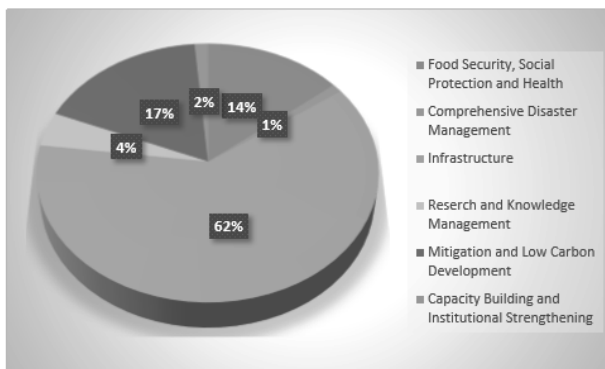
Most of the key informants have suggested that efficient project management and monitoring is a big challenge. According to Bangladesh Climate Change Trust Fund Policy, there is a fixed monitoring and evaluation mechanism mentioned in the policy. The executing agencies are accountable for the project execution through Project Implementation Committee and Project Steering Committee. On the other hand, Ministry of Environment, Forest and Climate Change, Bangladesh Climate Change Trust, IMED and District and Upazila administrations are also assigned to monitor project implementation. But the key informants have informed that except BCCT, other organizations are reluctant to monitor the project implementation. Therefore most of the projects could not be completed within stipulated time. Moreover the qualities of the project works are often questioned by BCCT. The key informants told that BCCT does not have the capacity to monitor huge number of projects. So monitoring the implementation of the projects are key issues of the fund.

#### 4.8. Thematic Areas of BCCSAP not properly addressed

The major objective of Climate Change Trust Fund was to achieve the objectives of Bangladesh Climate Change Strategy and Action Plan (BCCSAP). As per Climate Change Trust Fund Policy guidelines projects can be submitted at any time of the year provided that they fall under any of the six thematic areas of BCCSAP'2009. The thematic areas are: i) Food Security, social protection and health, ii) Comprehensive disaster management, iii) Infrastructure, iv) Research and knowledge management, v) Mitigation and low carbon development and vi) Capacity building and institutional strengthening.

The key informants informed that in order to address climate change adverse impact in Bangladesh, we need more fund for research purpose. But the following figure shows that all the thematic areas are not properly addressed.

Figure 6: BCCSAP Thematic area wise Number of Projects



Only 4% of total fund allocation has been spent for research and knowledge management and only 1% of the fund is being spent for comprehensive disaster management. It clearly explains that the six thematic areas are not being properly addressed in project selection. The key informants told that the Trustee Board members are more inclined to select infrastructure projects in their constituencies because of parochial interest.

#### **4.9. Lack of coordination**

The key informants have informed that coordination is a big challenge for Climate Change Trust Fund. The relevant agencies are not cordial enough to cooperate BCCT. It is the responsibility of the Ministry/Division to examine project proposal and consider the feasibility of the project. But the Ministries do not play their role and send the proposals with incomplete information. So it becomes difficult for BCCT to peruse the proposals. In most of the cases cost estimates are not prepared as per approved schedule. IMED is supposed to evaluate all projects after completion. But it is reluctant to evaluate the projects funded by BCCT. The key informants told that BCCT sends all information after the completion of the projects. But all these project completion reports are still pending in IMED. Therefore without support from other agencies, it is difficult for BCCT to efficiently manage the fund.

#### **4.10. Lack of Institutional Capacity**

The key informants of BCCT has mentioned that BCCT act as secretariat of the fund. But the manpower of the organization is only 67 which is not capable to deal with large number of projects. Since BCCT processes the projects, it lacks sufficient manpower to scrutinize the documents and properly monitor the projects. Moreover BCCT does not have its own office. It has been trying to get land for office, but yet find a land of its own.

### **5. Recommendations**

#### ***5.1. Increase Government Fund Allocation***

Annual Government fund allocation to BCCT needs to be increased. The decline off und has been highly affecting the sustainability and objectives of the project. Moreover interest rate for CCTF needs to be static. BCCT must be allowed to invest its fund in savings certificate to generate fund.

#### ***5.2. Develop Skill to Receive Fund from Global Climate Finance Mechanism***

Globally there are many climate funds available for climate vulnerable countries like Bangladesh. Such as Green Climate Fund (GCF), Adaptation Fund (GEF acts as secretariat and WB as trustee), CDM–Clean Development Mechanism

(implemented under the Kyoto Protocol), CIF – Climate Investment Funds, CTF – Clean Technology Fund, GEF – Global Environment Facility. But Bangladesh has got little access to those funds. Therefore appropriate skill needs to be developed for getting those funds in order to reduce dependency on government budget.

### **5.3. Reform Project Selection Process**

The existing project selection process has to be changed. It is the exclusive power of the Trustee Board to accept or reject a project proposal. So the Trustee Board members often considers the project in subjective manner. Therefore no project can be considered without feasibility study as well as stakeholders opinion. There must be some objective measurable criterion for considering a project by the Trustee Board. The Trustee Board must include Planning Minister and more experts on climate change.

### **5.4. Stakeholders Participation in Project Selection and Monitoring Process**

In project selection criterion there must be provision that opinion of the beneficiaries as well as relevant stakeholders must be included in the project proposal to make sure the project will really benefit people. At the same time there must be stakeholder participation in project monitoring process in order to ensure transparency and accountability of the project implementation.

### **5.5. Update BCCSAP 2009 and all related policies**

BCCSAP 2009 has formulated for 10 years and was supposed to be updated by 2018. But it has not yet been updated. Since the global climates cenario has changed and SDG has come into force, BCCSAP needs to be updated as soon as possible. Besides, Climate Change Trust Act, 2010, Climate Change Trust Fund Policy, 2010, Guidelines for preparing project proposal, approval, amendment, implementation, fund release and fund use for government, semi-government and autonomous organizations under the Climate Change Trust Fund, 2012, Guidelines for selection of NGO (Nongovernment Organizations) and project implementation under the Climate Change Trust Fund 2010 and Bangladesh Climate Change Trust (BCCT) Regulations 2013 need to be updated.

### **5.6. Strengthen Institutional Capacity of BCCT**

The capacity of Bangladesh Climate Change Trust has to be enhanced. The organogram of the organization has to be changed and adequate manpower needs to be employed for smooth functioning of the organization. Besides effective and special training programs for BCCT officials have to be given to improve their knowledge and skill.



### **5.7. Ensure Strong Monitoring and Evaluation**

Strong monitoring is required by the executing agencies in project implementation. Online monitoring software may be introduced so that all stakeholders can share monitoring information. In addition to IMED, independent agencies may be hired for evaluating the completed projects.

### **5.8. Better Coordination among all stakeholders**

Consultation and coordination among all stakeholders as well as government agencies have to be increased through frequent video conferencing systems and other mechanisms. Prime Minister's Office may be engaged for better coordination among the agencies.

## **6. Conclusion**

Bangladesh has been regarded as one of the most pro-active countries for taking the impact of climate change in a very serious manner. Bangladesh is the first country that established Climate Change Trust Fund with its own resources. Many countries follow this model and the Honorable Prime Minister has been awarded Champion of the Earth by the United Nations for her outstanding performance in climate change. It has developed different policies and legal frameworks such as Climate Change Trust Act, 2010, Bangladesh Climate Change Strategy and Action Plan 2009, Climate Change Trust Fund Policy, 2010. All these are an outstanding platform to tackle effectively climate change issues.

However, there remain a lot of challenges which need to be addressed to make the fund more effective. Decline of fund flow, inefficient fund management, defective project selection process, weak institutional capacity, ineffective monitoring system and lack of coordination are key issues to be considered in this regard.

Therefore, in order to address the issues, government fund allocation must be increased along with policy reforms and strong monitoring. It has been found that without strengthening the institutional capacity of Bangladesh Climate Change Trust, all other efforts will end in fiasco.

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