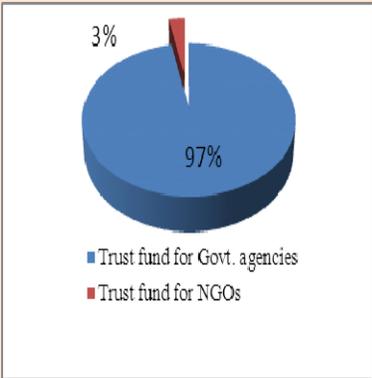


Fact sheet on CFG in Bangladesh

To address climate change issues and its impacts, the Government of Bangladesh adopted The National Adaptation Program of Action (NAPA) in 2005. Then following the NAPA the Bangladesh Climate Change Strategy and Action Plan (BCCSAP) was prepared in 2009. To frame the policy, laws and regulation and selection of fund recipients or overall management of the fund Bangladesh Climate Change Trust Fund (BCCTF) was established in 2010. Bangladesh Climate Change Resilience Fund (BCCRF) has started its operation in May 2010 and Pilot Project for Climate Resilience (PPCR) is in operation at its second phase to finance in the climate change related projects. Both BCCRF and PPCR are managed by the World Bank. A snapshot on climate finance is sketched below.

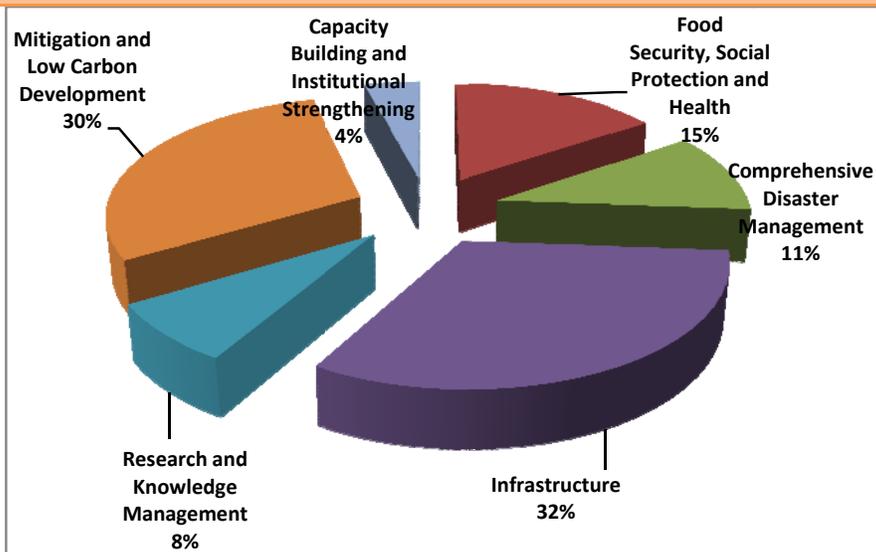
Particulars	Bangladesh Climate Change Trust Fund (BCCTF)	Bangladesh Climate Change Resilience Fund (BCCRF)	Pilot Program for Climate Resilience (PPCR)
Source of fund	Country own budget; 66% to implement the project defined in the BCCSAP 2009 and 34% for emergency relief and other works	With contributions from developed countries	Contributor country includes Australia, Canada, Denmark, France, Germany, Japan, Korea, Netherlands, Norway, Spain, Sweden, Switzerland, UK and US.
Fund Allocation/ Requested	Overall \$300 million - USD 100 million in 2009-10 - USD 100 million in 2010-11 - USD 100 million in 2011-12	Total USD 125.5 million grant. Fund providers are: + Denmark- USD 1.8 million, + EU – USD 11.7 million, + Sweden- USD 13.6 million + UK - USD 94.6 million + Switzerland - USD 3.8 million	Total USD 110 million (50 million grant & 60 million concessional loan) is requested, but allocated until now by + ADB- USD 1.15 million + IFC - USD 0.156 million + IBRD (WB) - USD 0.22 million
Governance of the fund	<ul style="list-style-type: none"> + BCCT Committee decides on policy formulation and selection of fund recipients. + After the fund disburse Climate Change Unit (CCU) under the Ministry of Environment and Forests (MoEF) oversee and monitor the implementation of project. + Three tiered governance structure for project allocation: + Steering committee; + Screening committee; + Technical committee 	<ul style="list-style-type: none"> + World Bank will serve as the Trustee for a 5-year period between 2010-2014 + 90% fund through BCCRF Trust; and 10% fund through PKSF + World Bank charges around 5% of total grant disburse (1% as service charge and up to 4% against the analytical and technical supports) + Govt. will take over financial management after interim period. 	<p>The fund is managed by World Bank with the assistance of Asian Development Bank, International Finance Corporation (IFC).</p> <p>Government Focal Points: MoEF, other relevant Govt. organizations/ministries which are implementing projects, are members.</p>

Particulars	Bangladesh Climate Change Trust Fund (BCCTF)	Bangladesh Climate Change Resilience Fund (BCCRF)	Pilot Program for Climate Resilience (PPCR)
Size of Trustee board	A Trustee Board comprised of 17 members	Two-tiered governance structure: 1. Governing Council (Strategic Directions) – 17 members 2. Management/ Technical Committee (Technical Advice)- 9 members	<ul style="list-style-type: none"> + 6 representatives from contributor countries; + 6 representatives from eligible recipient countries; + A representative of a recipient country whose program is under funding consideration by the Sub-Committee.
Chief/Head of Board/ Committee	Minister of MoEF is the Chairperson of the trustee board and Secretary is the member secretary of the trustee.	<ul style="list-style-type: none"> + Governing Council - Chaired by Minister of MoEF + Management/ Technical Committee - Secretary, MoEF 	The developing country Chair or vice-Chair of the Board of the Adaptation Fund.
Thematic areas of fund allocation	Six thematic areas under both funding: 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.		<ul style="list-style-type: none"> + Reconstruction plan to shore up its coastal embankments to withstand cyclones and storm surges, + Increase climate resilience of water supply and sanitation and other coastal infrastructure investments. + Climate resilient agriculture.
Fund disbursement	100 million USD disbursed <ul style="list-style-type: none"> + 62 projects for government agencies + 53 projects for NGOs 	\$87 million of \$125 million committed by March 2012 Approved 1st project of US\$25 million for cyclone shelters and rehabilitation of damaged shelters	Total USD 2.334 million has been disbursed against approved 7 projects by different government agencies.
Type of entities are getting fund	 <p>A 3D pie chart showing the distribution of funds. The chart is divided into two segments: a large blue segment representing 97% for 'Trust fund for Govt. agencies' and a small red segment representing 3% for 'Trust fund for NGOs'. A legend below the chart identifies the colors: blue for 'Trust fund for Govt. agencies' and red for 'Trust fund for NGOs'.</p>	<ul style="list-style-type: none"> + 4 projects (1 approved and 3 recommended) are from Govt. Agencies + PKSF is yet to disburse any fund to any NGO or private entities – First call for proposals in early 2012. 	All projects are being implemented through only window and the implementing partners are different Government agencies.

Particulars	Bangladesh Climate Change Trust Fund (BCCTF)	Bangladesh Climate Change Resilience Fund (BCCRF)	Pilot Program for Climate Resilience (PPCR)

Sector wise allocation

Bangladesh Climate Change Trust Fund (BCCTF)

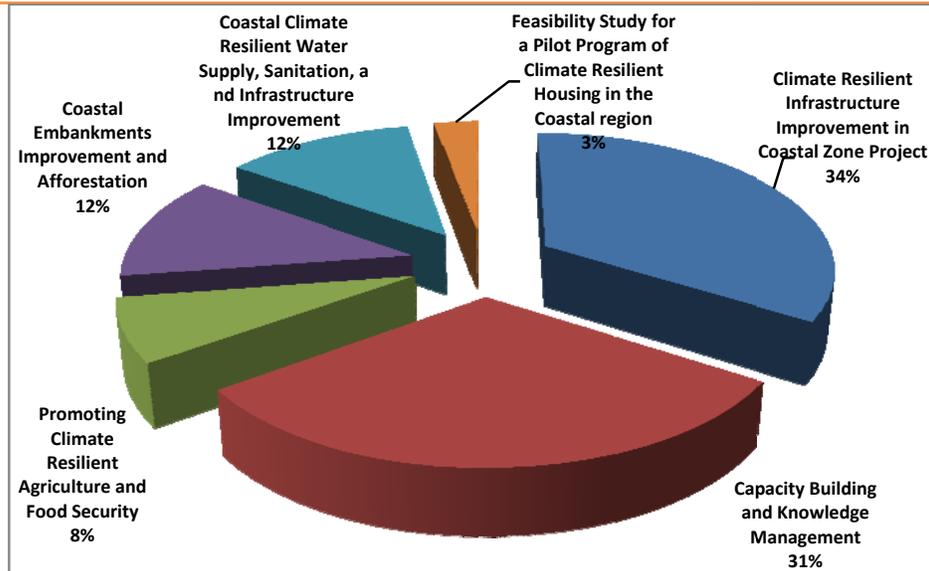


Fund allocation - USD 95.5 ml to both Govt. and NGOs

Bangladesh Climate Change Resilience Fund (BCCRF)

- **Approved** - USD 25m for building and rehabilitating cyclone shelters; 50% of the contracts will be awarded in 2012;
- **Under Preparation**
 - USD 22.8m for agricultural adaptation
 - USD 25m for participatory afforestation and reforestation
 - USD 12.5m for community climate change program
 - TA for construction of Noakhali-Urirchar cross-dam

Pilot Program for Climate Resilience (PPCR)



Fund allocation - USD 1.8 ml

Challenges to climate finance in Bangladesh

The basic challenges are more or less similar for climate finance in Bangladesh:

- ✚ **Sketchy funding policy & project selection principles**
 - Needs assessment
 - Prioritization
 - Participatory project development
 - Murky evaluation & approval process
- ✚ **Risks in enforcement mechanism of policies & principles**
 - Expertise & experience
 - Conflict of interest
 - Ministerial and official control of the Board (13 out of 15 are Ministers) and Technical Committees ►► Partisan political influence
- ✚ **Political economy of corruption - politics as investment**
- ✚ **Corruption risks in adaptation fund**
 - Weak institutions, Enforcement deficit
- ✚ **Flouting regulations**
- ✚ **Logging freestyle**
- ✚ **Impunity**
- ✚ **Civil society capacity, polarization, credibility**
- ✚ **Lack of information about update projects on websites**
- ✚ **Information about climate funds is scattered, difficult to access, and lack of uniformity**
- ✚ **Mapping of the bilateral funds is difficult**
- ✚ **Very few organizations respect the Right to Information law;**
- ✚ **Governance deficit**, like the beach level has gone down by at least 3-4 feet because of indiscriminate dredging for collection of sand for an “industrial complex”. More than 500 trees have died, but this project is financed by *BDT 191 crore from the Trust Fund for environment management of the beach* (Source: Prothom Alo, 27 September 2011)

Mistrust in selection of projects

Following a call for applications from the Ministry of Environment and Forests, many organizations submitted project proposals. Many project proposals were refused without a logical or valid explanation. A leading research organization of the Bangladesh government submitted a project proposal titled “Climate Change and its Economic Impact on Bangladesh”, that never been conducted in Bangladesh. But primary investigation and talks with BCCTF and applicant organization resembles that, there is mistrust to each other as refused recipient organizations lack the opportunity to challenge a decision adopted by the committee, none information regarding the project selection is accessible. (Source: Key Informant Interview, December 2011)

The prospective next steps

- ✚ Conducting a mapping and risk assessment to analyze the situation of CF local and global level
- ✚ Formation of Climate Governance Networks (CGNs) and Communities of Practices (CsoP) to advocate for improved CFG related policies, practices and institutions
- ✚ Capacity building of local and global CGN members

Political commitment

In the Climate Vulnerable Forum (CVF) conference, held in Bangladesh from 13-14th of November, 2011, the Prime Minister emphasized the need to ensure the direct access to the Green Climate Fund and First Start Fund as well as made commitment of the transparent utilization of climate fund, but above challenges exists.

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