

CF READY IN BANGLADESH



During the monsoon in Dhaka the sewers cannot cope with all the rainwater.



Here, climate change is already affecting everyday life

According to the United Nations Development Programme (UNDP), Bangladesh is 6th in the “country most vulnerable to floods” category and it is the world’s number 1 “country most vulnerable to cyclones”. Almost every year, one-quarter of the very densely settled total land area is flooded and in extreme cases, the share jumps to as high as 70%. In the coastal areas, seawater is salinizing the soil and causing the harvest yields to drop, while other regions have no precipitation and are afflicted by drought. These consequences of climate change are dire for a country in which 26% of the population is still living below the national poverty line of 2 USD per day. Small-scale farmers are suffering the most. This has serious implications, since agriculture contributes 18.6% to the country’s GDP and employs 45% of the total labour force.

In its struggle against the consequences of global warming, Bangladesh is preparing itself by enlisting national and international

support. The newly established Green Climate Fund (GCF) is one of the international mechanisms from which Bangladesh anticipates immediate assistance. At the UN Climate Summit in September 2014, the prime minister of Bangladesh, The Honourable Sheikh Hasina, emphasised that “the Green Climate Fund is crucial and its early capitalization is equally crucial”.



THE COUNTRY TAKES ON A GIGANTIC TASK

In view of the many signs of climate change, awareness of climate change is now deeply anchored in Bangladeshi society. According to Firdaus Ara Hussain, a Bangladeshi expert who has worked for the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) in Dhaka for seven years, climate change “is already part of our



It is a great challenge to support Bangladesh's riverbanks and more than 3,000 kilometres of coastline against floods with dykes.

lives". She added that one of the main problems is the rising sea level. By 2080, a projected 40% of the productive land in southern Bangladesh will be lost due to a 65 cm rise in the sea level. Ms Hussain also talked about what her homeland is already doing to adapt to this tremendous change: every year, an impressive 6% of the national budget is allocated to climate-related activities. "My country was one of the first to adopt a strategy and an action plan for dealing with climate change," she explained. Bangladesh was also actively involved in establishing the GCF and a Bangladeshi, Mr Mesbah ul Alam from the Ministry of Disaster Management and Relief, is currently an alternate member of the GCF Board. Since the Bangladesh government is

aware of the new fund's potential for the country, it has asked GIZ for support during the preparation process for the GCF.

Ms Hussain accompanied GIZ climate finance advisor Lars Andersen on his first visit to Bangladesh's capital, Dhaka. The world's eleventh-largest city is also one of its fastest-growing metropolitan regions. On its crowded streets, the hooting and ringing of cars, lorries and rickshaws facing in every direction mixes with the hammering and buzzing that comes from countless buildings with scaffolding – signs of urbanization and growth. The country's economy has grown almost 6% per year since 1996. The city of Dhaka attracts around 300,000 new resi-



Location: bordered by India to its west, north and east; Burma to its southeast and separated from Nepal and Bhutan by the Chicken's Neck Corridor. To its south, it faces the Bay of Bengal.

Capital: Dhaka
(Inhabitants: about 15 m.)

Country context of Bangladesh

→ WORLD BANK GDP RANKING: 59 / 214

→ TRANSPARENCY INTERNATIONAL CORRUPTION PERCEPTIONS INDEX: 136 / 177

→ Classified as "Least Developed Country" in UNFCCC

→ POPULATION: 156.6 m. (2013)

→ POPULATION DENSITY: 1188 / km² (2013)

→ CHILD MORTALITY: 33 infant deaths per 1,000 births (2012) (World average: 35)

→ FERTILITY RATE: 2.2 births per woman (2012) (World average: 2.5)

→ BIRTH RATE: 21 births per 1,000 people

→ 29.4 % of total population living in cities (2013)

→ 31.5 % (2010) of total population is living below the national poverty line

→ ACCESS TO (% compared to total population)

- Electricity: 60 % (2011)
- Clean Water: 85 % (2012)
- Sanitation: 57 % (2012)

→ ECONOMY (2013, shares in GDP)

- Agriculture: 17.2 %
- Industry: 28.9 %
- Services: 53.9 %

→ CO₂ EMISSIONS PER CAPITA (in metric tons): 0.4 (2010), ranking 161/198 countries (World average: 4.88)



dents every year. They come because of the prospect of work, but also because life is becoming more difficult in many regions of the country. Bangladesh has always suffered from severe storms, but the number and ferocity of the cyclones there have been increasing.



INTRODUCING NEW FINANCING OPTIONS

Mr Andersen coordinates the activities in Bangladesh for the Climate Finance Readiness Programme (CF Ready) that GIZ implements in cooperation with KfW Development Bank on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). With Ms Hussain and experts from the local ministries, in Dhaka he discussed which obstacles the country must overcome before it can receive more international climate funding – in particular from the GCF – and put it to good use.

What is the status of the country's effort to prepare for the impact of climate change? How will the programmes be financed? They discussed these issues and other topics in the course of many appointments in the relevant ministries and authorities.



A GLOBAL COMMITMENT

At the 2009 UN Climate Change Conference in Copenhagen, the developed countries committed to “jointly mobilise 100 billion USD a year by 2020 to address the needs of developing countries” and to help them adapt to climate change and grow

in a climate-compatible manner. The new Green Climate Fund will play a key role in the process: a significant portion of this commitment will flow through the GCF.

However, since climate change funding is still scarce and the challenges are huge, the efficient, effective use of climate funding in developing countries is crucial.



COOPERATION COUNTS

The first review of the financing structure of the country's climate adaptation activities uncovered several points to be addressed. “The Bangladeshi stakeholders have mentioned that coordination in general and competent funding administration is still a challenge,” said Mr Andersen. The individual government stakeholders must improve their collaboration skills – a challenge that is by no means reserved for developing countries. To address this challenge, Ms Hussain worked together with the Bangladeshi government as part of the CF Ready support to improve the flow of information among international institutions, representatives of the national government and the authorities, and civil society. “We see our role as that of a mediator. We are change makers,” she said. To Ms Hussain, it was crucial to initiate discussion between the most important stakeholders: the Ministry of the Environment and Forests, the Planning Commission and the Ministry of Finance. “We have conducted training sessions and studies to capacitate and inform government officials. We have encouraged joint events involving the ministries to increase their collaboration. We know that change will be gradual and look forward to continued cooperation with our government counterparts,” she added.

CF Ready is still a young programme. The GIZ team does not work according to a “one-size-fits-all” model, but instead adapts its collaboration and support flexibly to each country’s needs. In Bangladesh, the project team supported the selection process for the national designated authority (NDA) as the country requested. The nomination of this institution as a contact and co-ordination point is one of the formal prerequisites for accessing the Green Climate Fund. As one of their main tasks, the NDA and other authorities will later guarantee that the project proposals submitted for GCF funds take the country’s specific climate strategy and priorities into consideration.

During a two-day workshop, the CF Ready team provided approximately 30 representatives from the Ministry of Environment and Forests, Planning Commission, Ministry of Finance and others with information on the GCF and the steps that are necessary for meeting its prerequisites. In Bangladesh, the workshop achieved its aim: it initiated a process of discussion within the government. Three months later, the government nominated the Ministry of Finance to be the NDA for the Green Climate Fund. Now the focus is on preparing this institution to develop a national climate finance work programme. KfW Development Bank provides support for the development of project proposals within the context of the programme. In coordination with the NDA, KfW identifies the investment priorities that the subsequent pre-feasibility studies target.



A CALL TO THE INTERNATIONAL COMMUNITY

Since the collaboration between the CF Ready Programme and the Bangladeshi government started, many steps have been taken on the way to a functioning financing framework for climate change action. The adaptation activities require huge amounts of money – for coastal protection alone. “It is very expensive to build dykes or even repair them. We are talking about 3,306 km of coastline,” Ms Hussain said to illustrate the magnitude of the effort.



Solar panel installation in a Bangladeshi village. Threatened by rising sea levels, underdeveloped electricity grid infrastructure has prompted Bangladesh to launch the biggest homegrown solar energy program among developing countries.

Like many of her countrymen, the young Bangladeshi cares about getting support for her country, for its people, for the poor farmers who are coming to Dhaka to seek their livelihood and the even greater number who continue to eke out a living from their fields. These are the people who must live with the consequences of climate change. The Green Climate Fund, along with national funding, can help improve their situation. This is why the country would like to develop the capacity of the NDA, and to determine its national implementing entity (NIE) and have the GCF accredit it. The NIE will administer the GCF funds and manage the local projects. But until the country has taken this decision, plenty of work awaits the GIZ team and its Bangladeshi partners. Together, they intend to support the Bangladesh government in overcoming all of the formal and bureaucratic obstacles, proceeding in a well-planned and coordinated manner.

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