

Assessing Synergy between Climate and Development Funds in Publicly Funded Projects

Dr. A.K. Enamul Haque

Director, Asian Center for Development
& Professor, East West University

Estiaque Bari

Asian Fellow, Asian Center for Development
& Lecturer East West University

Introduction

Development Assistance and Climate funds are not generally a substitute of each other but there are significant overlaps due to the fact that many of the poverty reduction programs can also seen as a part of adaptation programs as it increases ability of the people to deal with stressed conditions. As such there is a debate in the literature on how development assistance might support and complement adaptation funding (Ayers and Huq 2009). Separating climate fund from development fund is often very difficult because climate change can affect efficiency of utilization of development resources. For example, an embankment designed to protect coastal population from tidal flooding could effectively become a trap for them in case of sea level rise or during cyclone due to waterlogging. In Bangladesh, aftermath of Aila (the cyclone of 2009) clearly shows that breach of embankment and inundation of huge area of land due the cyclone literally lasted several years, as such all the development expenditure in that region became ineffective. As such, literature also suggests that there are synergies between development assistance, adaptation expenditure and mitigation expenditures which may lead to potential win-win solution (Klein, Schipper, and Dessai 2005). The optimal mix (between adaptation, mitigation and development expenditure) varies between sectors.

As Bangladesh is graduating towards a developing country, it is likely that many of the windows of development assistances will be gradually closing while at the same time, there is a new opportunity to mix development fund with climate fund assigned for mitigation and adaptation expenditures under the Paris Agreement. The Government of Bangladesh created the Bangladesh Climate Change Trust Fund in 2009 in order to promote projects to develop resilience in the communities living in vulnerable areas as well as to develop options for reducing GHG emissions (“সিটিজেন চার্টার | Bangladesh Climate Change Trust- | বাংলাদেশ জলবায়ু পরিবর্তন ট্রাস্ট-” n.d.). While the fund is also designed to pool other global funds to Bangladesh in this area, the Government of Bangladesh also allocated nearly 400 million US\$ to the coffer from its own resources and funded projects under this.

Research questions and objectives

The current exercise is to study these projects in order to a) classify the pattern of expenditure in terms of development, mitigating and adaptation expenses using field observations, b) compare these projects with other similar poverty alleviation projects and c) develop a pattern of synergy between them in order to understand the following questions.

a) Is there any optimal mix between development, mitigation and adaptation expenses in coastal projects related to i) rural livelihoods, ii) agriculture, iii) health and iv) environment projects?

b) Is there a governance issue related to management of these types of projects to make adaptation and mitigation expenditure more efficient?

Research Method

The approach of the research is to examine 40 projects of the Government of Bangladesh implemented in since 2010 in vulnerable areas of Bangladesh. Development expenditure in a project is defined as activities meant for a) poverty alleviation, b) livelihood improvement, c) health improvement, and d) environmental protection or environmental conservation; Adaptation expenditures are defined as activities meant for a) improving resilience of households/communities, b) developing abilities to deal with disasters, c) diversification of livelihoods, d) reducing impacts of disasters and the like; Mitigation activities are defined as activities meant for reducing GHG emissions.

The research team will examine 80 projects in terms of these classifications and develop a pattern of mix that exists in the current development/climate projects in Bangladesh. After this, field verification of the projects will be done to understand community perception on effectiveness, efficiency (static and dynamic), sustainability, and governance issues.

The TIB database provides a list of projects by relevant ministries and the purpose. It shows that of the 11 Ministries receiving Bangladesh Climate Change Trust Fund money, 7 Ministries had 156 projects related to a) adaptation, b) mitigation, c) capacity building (adaptation/mitigation) and d) Research and Development and Technology Transfer (adaptation/mitigation). (see Table 1). The rest of the projects are from Ministry of Shipping, Defense, CHT, and Power & Energy. Most of their expenditure are institutional in nature and so excluded from this analysis.

Table 1: Number of Projects and Allocated Amounts by Ministries and by Purpose

Row Labels	Number of Projects	Approved in BDT (Million)
Ministry of Agriculture	10	2,762.90
Adaptation	8	2,468.30
Research and development and technology transfer	2	294.60
Ministry of Environment and Forests	41	9,011.56
Adaptation	14	3,233.17
Capacity building and institutional strengthening	5	330.21
Mitigation	21	5,398.68
Research and development and technology transfer	1	49.50
Ministry of Food, Disaster Management and Relief	4	2,682.34
Adaptation	4	2,682.34
Ministry of Fisheries and Livestock	2	517.64
Adaptation	1	497.64
Capacity building and institutional strengthening	1	20.00

Ministry of Local Government and Rural Development	96	23,472.53
Adaptation	92	22,930.41
Mitigation	4	542.12
Ministry of Women and Children Affairs	2	80.00
Adaptation	2	80.00
Ministry of Water Resources	1	246.63
Adaptation	1	246.63
Grand Total	156	38,773.60

Source: TIB Database

Based on the above information we suggest studying 30 randomly selected projects which are divided into two categories. Since there are mixed projects we shall select the projects based on the following criteria.

Table 2: Number of Projects to be Studied

Project Type	Number
Adaptation	6
Mitigation	6
Adaptation and Mitigation	6

Sampling will ensure that there are at least 20 projects in the category of adaptation and 20 in the category of mitigation.

Data Collection Method

A total of 30 FGDs/In-depth interviews will be conducted, and 30 x 20 =600 beneficiaries will be interviewed using questionnaire based survey to achieve the study objectives.

Research Steps

1. Literature/Project Document study and classification of expenses
2. Field validation of project expenses using FGDs
3. Perception Survey on Stakeholders (600 sample)
4. Analysis of results
5. Report writing

Budget

Total Expenses for the project is 17,56,380.00 Taka it includes a) project cost BDT 14,05,104.00 plus 25% VAT/AIT of BDT 351,276.00.

	Number	Survey of			
Project Type	of Projects	Stakeholders per proj	Stakeholders in the survey	FGD	
Adaptation	6	30	180	3	
Mitigation	6	30	180	3	
Adaptation and Mitigation	6	30	180	3	
Total			540	9	
Costs	Enum	Days	DA/TA	Projects	Amount
Stakeholder Survey	2	3	1200	18	129,600.00
Travel to Locations and Return	2	2	2000	18	144,000.00
FGDs Travel by facilitator + lodging	1	3	5000	9	135,000.00
Mobile internet	30		300		9,000.00
Supervision expenses (Travel and Lodging)					41,760.00
Training of Enumerators	10	2	1000		20,000.00
Training expenses		1	10000		10,000.00
Survey and FGD Cost					489,360.00
Honorarium for Consultants					400,000.00
Research Assistants	2	4 Months	25000		200,000.00
Office Support expenses for ACD					315,744.00
Sub-Total					1,405,104.00
VAT/AIT [deducted at source]			25%		351,276.00
GRAND TOTAL					1,756,380.00

Time line

The project will need 7 months to complete.

Table 3: Project Time line

	Months						
Checklist of activities	1	2	3	4	5	6	7
Desk work on project documents							
Separation of Expenditures							
Field Trips							
Field Survey on communities							
Field Survey on project personnel							
Analysis							
Reports							

References

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